

THE OHIO STATE UNIVERSITY  
OFFICIAL PROCEEDINGS OF THE  
ONE THOUSAND THREE HUNDRED AND SEVENTY-NINTH MEETING  
OF THE BOARD OF TRUSTEES

Columbus, Ohio, February 1, 2002

The Board of Trustees met at its regular monthly meeting on Friday, February 1, 2002, at The Ohio State University Fisher College of Business, Columbus, Ohio, pursuant to adjournment.

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Minutes of the last meeting were approved.

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February 1, 2002 meeting, Board of Trustees

The Chairman, Mr. Brennan, called the meeting of the Board of Trustees to order on February 1, 2002, at 10:40 a.m. He requested the Secretary to call the roll.

Present: David L. Brennan, Chairman, James F. Patterson, Zuheir Sofia, Tami Longaberger, Daniel M. Slane, Dimon R. McFerson, Jo Ann Davidson, Kevin R. Filiatraut, and Joseph A. Shultz.

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### **STUDENT RECOGNITION AWARD**

Mr. Shultz:

This morning the Board of Trustees is proud to recognize someone who really excels in academic excellence through our Student Recognition program. Nominated by the Fisher College of Business, we're proud to recognize Weston Tucker.

An undergraduate majoring in finance, Weston exemplifies what it means to be a student at The Ohio State University through his academic achievement and service to the University and in his college. Weston spent this summer as a Student Fellow for the AT&T Educational Alliance. During this experience, he performed in-depth research and developed recommendations on AT&T e-business and the e-business market.

As a student research assistant in the Fisher College of Business, Weston worked on a project in corporate strategy, attempting to define the major factors of a firm's competitiveness, and therefore predict how certain companies can best position themselves in a highly competitive industry. Weston has also added an international component to his education here at Ohio State by spending a summer in Ecuador, participating in an intensive Spanish program.

In addition to Weston's extensive academic experiences, he is also a leader in and around campus. He has helped to create the Mid-East Scholar's Program and currently serves on their executive committee. As an Honors' Ambassador, he is helping to recruit other high potential high school students to our University. Amid all of these activities, Weston also finds time to volunteer, working with students at the Indianola Middle School.

Weston, on behalf of President Kirwan and the Board of Trustees, I wish to congratulate you on all of your accomplishments, and wish you the best of luck achieving your goals, as I present to you the Student Recognition Award.

Mr. Weston M. Tucker:

Thank you.

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Mr. Brennan:

Before calling on President Kirwan for his report, I just want to make a personal comment and say how glad I am to be back at the Board of Trustees meeting. I've had a little vacation – not one I'd recommend you take. I want to thank all of those in the audience who cared enough to pray and worry about me, and send me notes. Thank you.

President William E. Kirwan:

Mr. Chairman, I know I speak for everyone in the room that we are delighted to have you back with us today.

Mr. Brennan:

Thank you.

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## **PRESIDENT'S REPORT**

President William E. Kirwan:

Members of the Board of Trustees, it has been almost two months since we met and, as usual, quite a lot has happened on campus. I will report to you on some of this activity, but given that these remarks will be followed by a major presentation, I will keep them relatively brief.

First, as you may have read or heard, last month Provost Ed Ray agreed to extend tenure in the College of Medicine and Public Health – that is extend the tenure probationary period to 11 years for clinical faculty. This was a major decision, and I was deeply impressed with the care and consideration Ed gave to the proposal and the extent of his consultations across the University. Further, I am in complete agreement with his decision and admire the forthright manner in which he addressed the topic at last month's Senate meeting.

Some people have suggested that this decision should have been subject to a vote of the entire University Senate. However, that suggestion ignores the existence of a Senate rule, duly adopted in 1996, that clearly calls for the provost to make such decisions. The College of Medicine and Public Health faculty acted in good faith over an entire year in developing this proposal. In my view, to have suddenly imposed upon the College of Medicine and Public Health faculty, in an ad hoc fashion, an additional requirement not stipulated in the Senate's rules would have been a flagrant abuse of the principals of shared governance.

As Ed made clear in his Senate address, we would welcome a constructive dialogue on ways to improve the process, so long as the resulting rule maintains flexibility in tenure and promotion procedures and guidelines among the academic units.

Ed also addressed two other important matters in his annual Senate address, both of which I also strongly support. One is the appointment of an ad hoc committee to study the Colleges of the Arts and Sciences and report back by the end of the Autumn Quarter. The five separate colleges within the Arts and Sciences – Arts, Biological Sciences, Humanities, Mathematical and Physical Sciences, and Social and Behavioral Sciences – represent the core of our undergraduate curriculum.

The concern is that we are not taking maximum advantage of the synergies that can exist among these programs. A thorough examination of how we can do so seems very worthwhile. The committee will be chaired by former president Ed Jennings, and will include some of the most distinguished faculty in the Arts and Sciences colleges.

The other item concerns requests from the Moritz College of Law and the Fisher College of Business to establish clinical faculty positions. Clinical faculty are highly qualified, non-tenured individuals who share and draw from their significant real-world experience to teach but who do little research.

## **PRESIDENT'S REPORT (contd)**

President Kirwan: (contd)

Offering such positions is critical for these colleges, and perhaps others, if they are to compete successfully with top national programs. I join Ed in urging the Senate leadership to help craft acceptable enabling legislation, then to consider individual college proposals on their merits.

While all of this has been going on, we have continued to receive a large amount of good news. Let me share some of it with you.

First, we continue to attract world-class talent to Ohio State. A recent example is the appointment of Monika Aring, as director of the Center on Education and Training for Employment.

Founded in 1965, the Center is a leading resource in developing employment-related education and training. Since 1993, it has attracted almost \$55 million in contract grants and services. While the Center is already global in reach, we expect our new director to lead it to even greater heights as it addresses the challenges of our knowledge economy. This will include the development of comprehensive workforce and training systems in developing nations, as well as increased collaboration on and off campus between education and business.

Ms. Aring is the ideal person to lead this Center at this time. A magna cum laude graduate of Brooklyn College, with two undergraduate degrees, she is also a graduate of Harvard's John F. Kennedy School of Government, where she received a Master's in Public Administration. She comes to us from the Center for Workforce Development at the Education Development Center in Washington, DC. She has worked in over 28 countries on every continent, in identifying best practices in private sector led workforce development systems.

Monika is with us this morning, and I would like to ask her to stand so that we may welcome her to our community.

We received another piece of good news just this past week when Dr. Chris Hammel of the Los Alamos National Laboratory accepted an offer to become the Ohio Eminent Scholar in Experimental Physics. Dr. Hammel is a fellow at Los Alamos and of the American Physical Society. His research has strong interdisciplinary components and focuses on such topics as using the way electrons spin to transfer information, using the special properties of quantum systems to create far more powerful computers for such purposes as code breaking, and using magnetic resonance microscopy to provide detailed images of cell interiors and of impurities buried beneath semiconductor and metal surfaces.

As you know, the Department of Physics is already very well regarded. It was ranked 14<sup>th</sup> among public universities in the last National Research Council rankings, tied for 14<sup>th</sup> in the *U.S. News and World Report* rankings, and ranked first in our initial Selective Investment Award competition in 1998. Dr. Hammel, who will join us later this year, is the second Ohio Eminent Scholar in Physics – the first was John Wilkins, who joined us in 1988.

I'm also pleased to report that members of our faculty continue to win prestigious honors and awards. For example, Jacqueline Jones Royster, professor and associate dean of the College of Humanities, has won the Modern Language Association's Mina P. Shaughnessy Award. This is one of 16 major awards given out annually by the Modern Language Association, so it is truly an honor. She received this award for her book, "Traces of a Stream: Literacy and Social Change Among African American Women."

## **PRESIDENT'S REPORT (contd)**

President Kirwan: (contd)

In addition, the American Physical Society has recognized four members of our faculty for their contributions to physics research. The four are: Richard Furnstahl, Ulrich Heinz, Ciriya Javaprakash, and Robert Scherrer.

We are also proud that the Department of East Asian Languages and Literatures and the Institute of Chinese Studies have received a \$2 million grant from the Freeman Foundation. The grant will support Chinese language and culture distance learning courses in the College of Humanities and a variety of undergraduate Asian study course enhancements.

Next, Ohio State won two of the three Ohio Board of Regents grant proposals submitted last fall. One grant -- and this, I know, is of special interest to the Board of Trustees -- supports a collaborative project between the Fisher College and the regional campuses to create a new business major on the regional campuses. The other grant will support an Information and Scientific Literacy proposal to identify, exemplify, and deliver, via the Web, core concepts in information and scientific literacy.

I am also delighted to report the results of the 2001 Campus Campaign. Last year, gift and deferred receipts from the current and retired faculty and staff totaled a record-breaking \$10.4 million. This brings the total giving by faculty and staff, since the Campaign's inception in 1985, to an astounding total of more than \$78 million. I understand that this is the highest total of any faculty/staff campaign in the nation and reflects very positively on the commitment of our faculty and staff to the University, even in these austere economic times.

We have also had good news in our efforts to strengthen Ohio's knowledge economy. The Industry and Technology Council of Central Ohio annually honors members of the region's technology community.

This year, three of the seven honorees were from Ohio State: Umit Ozkan, associate dean for research in the College of Engineering, was named "Outstanding Woman in Technology;" Dr. Mauro Ferrari, director of the Biomedical Engineering Center, was named "Outstanding Educator for Advancing Technology;" and Edward F. Hayes, former vice president for Research who died in 1998, was selected to the ITC Central Ohio Technology Hall of Fame.

Just yesterday, Governor Taft and Mayor Coleman joined us to dedicate the MicroMD Laboratory in the Science Village. This is a truly leading-edge facility in the high-potential field of advance BioMems that will help grow Central Ohio's knowledge economy.

Finally, I'd like to note some especially gratifying news. Part of being a great university is having state-of-the-art, aesthetically pleasing buildings and facilities. I'm pleased to say that the Columbus Chapter of the American Institute of Architects has presented design awards to a number of our recent projects, which include: the Science Village; the Innovation Center, which is also part of SciTech; the Longaberger Alumni House; and the restoration of Ohio Stadium.

Mr. Chairman and members of the Board, this completes my report.

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Mr. Brennan:

Before we move on to the presentation, I want to acknowledge to Dean Alutto what a wonderful venue for our meetings. You are offering really ripe competition for Longaberger Alumni House as the site of our meetings. This is delightful, Joe, and thank you for hosting us this morning.

Dean Joseph A. Alutto:

You're welcome. Thanks for being here.

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## **PRESENTATION ON FUNDING STRATEGIES**

President William E. Kirwan:

This morning, Ed Ray, Bill Shkurti, and I will discuss strategies for funding our academic priorities. As part of these strategies, we will include our recommendations on undergraduate tuition levels for Fiscal Year 2003. I will provide context for our proposed funding strategies, Ed Ray will relate them to our academic priorities, and Bill Shkurti will follow-up with the essential fiscal details.

We have given this matter a great deal of thought. Recognizing that the development of an appropriate resource base -- aligned with our priorities, and, in particular, the setting of tuition levels -- is one of the most important things that our University -- and you as members of the Board -- do each year.

Our approach today is to present you with our best advice, irrespective of how others may view it. We believe that is our obligation to you and your expectation of us. We also believe that we must give you reasonable alternatives that would move us toward our common goal of creating one of the world's great teaching and research universities. We hope you will find our presentation and analysis helpful as you deliberate this very important matter today, given the importance of the topic and the need we know you will have to reflect on it beyond today. We are not asking you to take final action on our tuition recommendations until the March 1 Board meeting.

I will begin with the context for our discussion. You will recall that in December 2000, the Board adopted an Academic Plan that has been widely disseminated and supported on and off campus. As you know, that plan lays out a strategic path to academic excellence for the University that will benefit our students, faculty, staff, and the people of Ohio. Let me remind you just what these benefits are.

As a state and nation, we are in transition from an economy based on brawn to one dependent on brains. In a global-knowledge economy, information and talent are the raw materials of success for individuals, corporations, states, regions, and nations. Thus, the importance and value of a college diploma is rising steadily. States are engaged in an intense competition for the people, ideas, and innovations that will grow their economies, enlarge their tax base, create jobs, and improve the quality of life for their citizens.

Universities make an especially vital contribution to economic growth by: educating undergraduate, graduate, and professional students for productive lives in a knowledge economy; attracting and retaining faculty who add to society's knowledge-base and spark new ideas; and helping translate innovations and discoveries into commercial products and useful services.

## **PRESENTATION ON FUNDING STRATEGIES (contd)**

President Kirwan: (contd)

For Ohio to prosper in this new economic age, it is essential that the state have a great teaching and research university. Indeed, for all of the reasons I just mentioned, there is no example of a state among the leaders in the knowledge economy that does not have a distinguished university. That is precisely what our Academic Plan is intended to create -- a leading teaching and research university at Ohio State.

As you know, we are already seeing impressive progress toward the goals of the Academic Plan. Student quality is up, retention and graduation rates are up, research funding is up, and the number of national awards for our faculty is up. Ironically, just at this moment of great advances, we have been dealt a serious blow. The state's economy is in decline, resulting in budget cuts on top of already inadequate funding.

We now face a choice. Do we allow the state's inability to invest in higher education at this time halt our impressive progress? Or do we take matters into our own hands, generate the resources necessary, and sustain our advance to the top tier of American's teaching and research universities? Do we allow a decline in state investment to deprive our students of an exceptional education? Or do we find the means to provide a learning environment for them that is on par with the nation's best? Do we continue to build a world-class faculty, producing discoveries and intellectual property that will advance our state and nation? Or do we allow our best and brightest to be lured away to other universities?

For us the choice is clear. We must make the difficult decisions to advance this University along its path toward excellence. We must strive to provide our students with an education second to none. We must demonstrate to our faculty and staff that this is a university that intends to compete with the very best. Any other choice would seriously undermine our impressive progress and ultimately be harmful to our state. Excellence at a university in this era of the knowledge economy is a precious thing, but it is also a fragile thing. If our momentum is lost, it could take years, perhaps even a decade, to restore.

Having made the determination that we must move forward, we recognize that our fiscal circumstances require us to focus on fewer priorities in the Academic Plan and internally generate the funds necessary for the chosen initiatives. We have declared competitive levels of compensation for faculty and staff to be our top priority.

We also have committed to three programmatic initiatives: 1) creating an exceptional educational experience for our students; 2) using state and federal investments in the biosciences to build excellence in these areas at Ohio State; and 3) establishing the Institute for the Study of Race and Ethnicity in the Americas -- as an important resource for our diversity initiatives.

This was the basis of my report to the Board this past fall when I announced a number of measures to reprogram existing funds in-line with our priorities. These initiatives and other continuing commitments will require \$53 million. In addition, we must now also address a base budget cut of \$20 million, which is equivalent to 400 FTE positions. Thus, the total required to fund our priorities and to address the budget cuts is \$73 million in continuing funds.

In order to generate these funds, our first step was to cut existing budgets. We are now in the final stages of reducing centrally funded initiatives by 10 percent,

## **PRESENTATION ON FUNDING STRATEGIES (contd)**

President Kirwan: (contd)

reducing and reprogramming academic support programs by up to seven percent, and reducing and reprogramming college budgets by up to 5 percent.

Additional targeted cost reduction initiatives have been implemented. They include: increased health care co-payments; energy savings, through competitive bidding and conservation; and review of purchasing practices and computer systems. These reductions and reallocations total \$36 million University-wide. The nine percent increase in undergraduate tuition that we announced last year, together with planned increases in graduate and professional fees, will contribute another \$24 million, for a total of \$60 million. That leaves us \$13 million short of the \$73 million we need.

We have searched for other means to generate the \$13 million. In our view, further cuts in budgets beyond the \$35 million I have already described are not possible without compromising the quality of essential programs in the academic core of the University. Thus, we have reluctantly concluded that most of the \$13 million will have to come from additional tuition funds.

I am acutely aware that our recommendations come two days after the Governor expressed concern about tuition increases in our state and the potential of such increases could threaten affordability and reduce access. We agree with the Governor that affordability and access are extremely important principles and we have reflected these principles in the recommendations we are making to you today. We also believe that our case is persuasive on other grounds and look forward to your views.

We have identified three alternative tuition options, each of which would provide all or most of the needed funds that you will want to consider. Bill Shkurti will lay these options out during his presentation.

One factor that influenced us greatly was our advice to students last spring that resident undergraduate tuition would likely rise by nine percent per year for each of the next four or five years. We estimated that these increases would, over this period, move Ohio State from eighth place among state public institutions, to third or fourth place in tuition level.

Given our role and mission as Ohio's flagship university, we think that a move of this kind is both reasonable and responsible. Even though circumstances have changed significantly since last spring, we remain conscious of the implied commitment we made to our current students. Consequently, we propose to place the responsibility for the additional tuition increases, beyond those already planned, on incoming students who have a greater opportunity to make choices and plan ahead.

We ask you to think of this as a one-time adjustment in our tuition, which almost everyone agrees is artificially low relative to the tuitions at other universities in Ohio. The proposed tuition level for entering students would be the base for future entering classes, with future tuition increases moderating significantly. The approach we propose is similar to one that is working well at the University of Illinois and that is likely to be adopted by Purdue University. We are convinced that it will work here at Ohio State, also.

With that in mind, today we recommend an annual undergraduate tuition level of \$6,417 for new students or \$1,200 more than our previously planned and discussed recommendation of \$5,217 for current students. Under this proposal,



## PRESENTATION ON FUNDING STRATEGIES (contd)

President Kirwan: (contd)

our original commitment of a nine percent increase for continuing students would remain intact.

As Bill will explain in just a moment, this recommendation will move tuition levels for newly entering students next fall to third or fourth from the top among Ohio's public universities. Thus tuition for entering students would be well within the range of tuitions charged at other Ohio universities. Tuition levels for current students would remain well below the median in Ohio.

As we did so successfully last year, we will make the necessary adjustments to our need-based aid so that no admitted student will be turned away for financial reasons. I want to emphasize this point. The Governor most appropriately wants to keep our universities affordable and accessible, and so do we. That is why, once again, we have tied enhanced financial aid to increased tuition. In fact, the equivalent of 30-40 cents of the differential tuition money from new students would be placed into financial aid.

In considering our financial plight, we also sought comparative resource data from other schools: our aspirational peers, in the Big Ten, and in the State of Ohio. We found that top universities in other states receive about 20 percent more in revenue from all sources for each full-time equivalent student than does Ohio State. Relatively low state support in Ohio, combined with relatively low undergraduate tuition at Ohio State, has created an educational expense gap of almost \$1,000 in tuition and state support per undergraduate student, when comparing Ohio State with average support of our benchmark universities in the Big Ten. If we do not take some kind of action along the lines we present today, this disparity will grow presenting us with an ever-greater challenge in providing a competitive learning environment for our students.

It is also important to note that compensation for faculty and staff at Ohio State lags significantly behind benchmark institutions and in relative terms is falling. Once again, I must emphasize that outstanding faculty and staff are the *sine qua non* of a great university. Retaining the best faculty and staff is essential if we are to provide students with the highest quality education and do the research that will help position Ohio as a leader in the knowledge economy. That is why we have made competitive faculty and staff compensation our top priority.

Thus, as undesirable as it is, we see no alternative to raising this additional \$13 million and we see no practical means of doing so other than through additional tuition funds. Nothing less than the quality of our University and its ability to address important state needs is at stake. I want to stress that undergraduate tuition represents less than 40 percent of the solution to the \$73 million problem we face.

In conclusion, let me say that quality comes at a cost. It is essential that in March we take the action I have just outlined or some alternative version that Bill will discuss in a few moments. To do otherwise will do enormous harm to the quality of the University and, thereby, enormous harm to the future of Ohio.

We realize these are difficult times and that the funding cuts and tuition increases will be hard on all of us – students, faculty, staff, and friends of the University. We also realize that for some families it will create additional financial challenges. But this is something we must do for the good of the University and for the future of Ohio.

Now I ask Ed Ray and Bill Shkurti to continue this presentation.

## **PRESENTATION ON FUNDING STRATEGIES (contd)**

Provost Edward J. Ray: [PowerPoint Presentation]

Thank you, Mr. President. I think those opening remarks were very helpful. Let me start with some amplification on many of the points that the President made.

The topic of the day is to discuss tuition increases for next year, but this is really a discussion about the mission and goals of the University. It is about the fiscal challenges that we face, about all of the alternative paths we can follow and to husband the resources together that we need to deal with that fiscal challenge.

Tuition is a piece of it. As the President mentioned, for the problem as we've identified it -- the \$73 million -- the tuition piece is less than 40 percent, but it's a critical piece of it. Let me start out by giving you a sense of what Bill and I will talk about, so we can get on to your questions and answers.

We want to talk a little bit about the goals of the University and the challenges that we face. We do want to spend some time talking about the details of what we recommend, why our recommendations are as they are for tuition increases, the implications of what we've talked about, and what we perceive as the appropriate next step.

Let me start first with what our strategic objectives are for the University and why. As the President said, to be successful in the 21<sup>st</sup> century Ohio needs a strong system of education, including a top tier comprehensive teaching and research institution. The President has talked about this quite eloquently on a number of occasions.

To remind ourselves, such an institution is critical. It provides an opportunity for talented high school graduates in Ohio, to learn and grow in a research environment that gives them a competitive edge in the knowledge economy. It's important because it attracts talented faculty and students to Ohio, from all over the world. It serves as a catalyst to grow the state's economy, which provides more and better jobs for all of Ohio's citizens. It serves as a focal point for a variety of activities that improve the quality of life for all Ohioans.

What needs to be done? Comparisons with the best public universities show that Ohio State University does a very good job, but we need to do a better job in a number of areas in serving our undergraduate students. Some of those areas are: retention of top faculty and support staff; increased direct involvement for undergraduate students with regular faculty; better access to high-demand courses; improved academic and career counseling; wider availability of state-of-the-art learning technology; more learning and service experiences outside of the classroom; and a more supportive physical environment.

Why do resources matter? We're all bright enough to understand that throwing resources at problems is never the solution. But it's important to realize the situation we find ourselves in and try to address the new financial problems that we face.

The President mentioned it already, but if we look at top institutions in other states we find that, on average, we have 20 percent less in resources available to us per student FTE here on the Columbus campus. We have relatively low state support and low undergraduate tuition, and that alone accounts for a gap of approximately \$900 per undergraduate student FTE. We fear that disparity is likely to get worse if we don't take some substantial action in the near future.

## **PRESENTATION ON FUNDING STRATEGIES (contd)**

Provost Ray: (contd)

We've looked at a number of other alternatives. We've talked about cuts, set up mechanisms to do reallocations, and we think that we now have to turn toward tuition to help us deal with the problems that we face.

As a brief reminder, the state share of instruction per student FTE on the OSU Columbus campus was \$7,285 for FY 2001; for FY 2003, it will be \$6,887 – a decline of \$398 per student. If one multiplies that by the approximately 30,000 student FTEs that we have at the undergraduate level, we're talking about an absolute reduction, in dollar terms, of approximately \$12 million.

If we look at where we stand against other Ohio universities that are more selective in their admissions policy, what you observe is with our current tuition of \$4,788, we are \$1,253 per student FTE below the average. Again, if you multiply that by the approximately 30,000 undergraduate FTEs that we have here in Columbus, we're talking about a differential, in terms of available funds, of \$37.6 million.

Trust me, I'm an economist and I know that throwing resources at problems is never in and of itself a solution. When one starts looking at numbers of that magnitude, resources do make a great difference. It's from that base that we're now launching this discussion about what we need to do with respect to redirecting existing resources and finding new resources to move into the future.

The President mentioned that on average, we're 20 percent below benchmark institutions with respect to funding per student FTE. That translates into specific categories of support: in student services, service learning, career counseling, and so forth – areas that we try very hard to be competitive in – we're nine percent below our benchmark peers; in scholarships and fellowships, we're 31 percent below; for the physical plant, we're 36 percent below; in academic support, instructional technology, and other learning resources, we're 39 percent below; and in research, we're 47 percent below. So there are some really significant impacts associated with that overall 20 percent figure.

We think we've done about as much as we can with respect to finding alternative ways to generate the resources that we need to meet the \$73 million challenge that the President has already indicated we face for next year. In Spring 2001, Ohio State made a strategic decision to hold back on faculty and staff pay raises for FY 2002, in order to protect student and instructional programs. In recent months, you know that other state universities have done mid-year tuition increases and a number of universities have announced layoffs and eliminations of programs.

When we knew what the budget situation would be for FY 2002 and had an idea what we were facing for FY 2003, we felt that the responsible thing to do was to step back and do the minimal increases. We looked hard at how we were managing existing resources and made hard decisions.

We are committed to making sure that we make meaningful progress with respect to the kinds of salaries that we're able to offer our faculty and staff. We made a commitment that, on average, we hope to provide what the market provides on average -- the competitive salary increases -- plus one percent for faculty and staff for each of the next several years, in order to bring ourselves up to the midpoint of the benchmark peer group that we've identified for ourselves.

## **PRESENTATION ON FUNDING STRATEGIES (contd)**

Provost Ray: (contd)

Another meaningful indicator of how the times have changed is that for FY 2002, state support fell below student tuition income for the first time in this University's 131-year history. As a comparative measure, in 1987 the ratio of subsidy state instructional support to tuition dollars was about 2:1; now it's slightly less than 1:1.

As we've discussed on many occasions, we're changing the way we do the budget process. We are providing colleges and support units with incentives to increase their revenues and reduce their costs consistent with the Academic Plan. We are also looking at other ways to maximize resources: private giving was up 17 percent for 2001; and sponsored research was up 18 percent. We've looked seriously at the kind of charges we could load on to non-general fund units. Central support services, athletics, and other areas provide \$28 million to the University. We're continuing to try to do other things.

The President already mentioned the commitments that he made in his October address to the Senate and to the Board of Trustees. A 10 percent cut in central investment funds, which translates roughly into a \$4 million reduction. Support units are to reduce or redirect their resources on the order of 3.5 to 7 percent for FY 2003, which translates up to \$14 million. Additionally colleges will reduce or reallocate from 2.5 to 5 percent of their budgets, which will add up to a potential \$18 million.

We're also targeting health care benefits costs and increased co-pays for FY 2002. We're looking at purchasing practices for key commodities, energy saving through competitive bidding and conservation, and ways to consolidate costs on new University-wide computer services.

So where does that get us? The University faces a \$73 million general fund problem for FY 2003, with \$20 million of that associated with the reduction in the general fund monies from the state, including the Success Challenge. As we indicated, we also have a critical need to provide competitive compensation increases for faculty and staff that will require \$30-\$34 million.

We have scholarship and financial aid requirements that we have to provide. The President was very clear that we augment our financial aid every year to assure that students, who otherwise are qualified to be here at Ohio State, are not barred from being able to continue with their studies because of economic need.

We have many other program costs that continue to increase over time, commitments to: Selective Investment, academic enrichment, and enhanced recruiting efforts. We also have legal mandates, physical facilities costs, etc., that range from \$8-\$11 million.

If one takes the midpoint of those figures – compensation, scholarships, financial aid, and the others – the total is \$53 million, and that added to the \$20 million is \$73 million. Now to tell us how we're going to deal with that is Bill Shkurti.

Mr. William J. Shkurti:

Thank you, Ed. President Kirwan outlined the general strategic objectives we're trying to achieve and Provost Ray outlined what the costs are and what the competitive disadvantage we suffer, compared to the people we're competing with, for the best faculty and students. I'll now outline where the money will come from and what options we've looked at.

## **PRESENTATION ON FUNDING STRATEGIES (contd)**

Mr. Shkurti: (contd)

President Kirwan and Ed both addressed this, but there's one point I want to stress. I can't tell you how many people have told me in the last three or four days, "We were downtown and talked to different people that are associated with state government. They think you guys aren't doing any cuts, you just pass on whatever cuts the state has to your students in the form of higher tuition."

Having worked for the state for 13 years myself, I realize that sometimes the state is somewhat skeptical of what goes on out in the provinces with state money, and that's appropriate. But I can assure you that the \$20 million that occurred in state cuts to the Columbus campus are being cut out of budgets. These are not Pentagon cuts, where we take inflation and subtract it – these are real cuts. If your budget this year is this, your budget next year is this minus. So the \$20 million is coming out of the institution and that's real. As President Kirwan mentioned, that translates to 400 full-time positions.

We're trying to maximize taking away unfilled positions so we don't get into the cost and difficulty of layoffs, although we won't be able to avoid that. But we started out with real cuts, not with passing on costs to our students.

The second element is \$16 million in additional reallocations and other revenues, and I probably need to explain what that means. Other revenues are some other sources of income. For example, if we charge the auxiliaries for the services they get from the central campus, the growth in those charges will be \$1 million.

We've also told the deans and vice presidents that they need to meet the compensation goals that the University has set for their faculty and staff. We will be able to provide them with a little bit of money, but the rest of it has to come out of their budgets. We do not call that a budget cut, centrally.

When Ed and I met with the deans and we told them that, we got nasty looks. We were told, "You may not call it a cut, but it's less money than we're going to have to do other things -- so to us it's a cut." You can take your pick – it's either a redirection or a cut on top of the \$20 million. So it is at least another \$10 million in that regard.

After exhausting then what we thought we could get out of budget cuts, and additional reallocations and other revenues to minimize the impact to students, we took a look at what we had previously planned in the way of tuition increases. As Ed mentioned, we told the undergraduates last spring we were looking at a 9 percent increase a year for the indefinite future. We had also been looking at a 5 percent increase a year for graduate and professional tuition, which tends to be a little higher and closer to market. So you plug that into the formula and that is another \$24 million.

You have cuts, redirection, and planned tuition increases, but that still left us \$13 million short of the \$73 million solution. So let me talk about some of the options that we considered.

The first option we considered is that if we're \$13 million short, let's do the cuts we need to get through this. As both President Kirwan and Ed mentioned, we think the cuts we've already proposed -- the \$20 million in hard cuts and the additional \$16 million in redirection and other revenues -- are pushing our ability to provide core services to our students about as far as we can go. We think it would be detrimental to the future of the institution, to the City of Columbus, and to the State of Ohio, if we push that further.

## **PRESENTATION ON FUNDING STRATEGIES (contd)**

Mr. Shkurti: (contd)

Then we thought if we don't do cuts, what if we make up all of the remaining dollars by increasing student tuition across-the-board, and that ended up approaching 20 percent. We simply thought that would not be feasible. It would be unfair to our students and would create problems with them being able to graduate on time.

So we looked at some other options and these are on page 14. Again, these aren't the only options we looked at, but it gives you a flavor of what we're trying to do.

Option A shows us holding all current students at 9 percent and puts the burden on new students. This is a version of the Illinois plan that President Kirwan had mentioned. That would be -- on top of the 9 percent increase for any new student entering in the fall -- an additional \$1,575 per new student. This would take our tuition for new students very close to what it currently is at Miami University.

Option A would solve our budget problem, but we thought that would be too much of a burden on new students. We were also concerned that there is a competitive market that goes on for students and there are really two parts to it: 1) the quality of the educational experience that you're offering; and 2) the cost. Frankly, we thought an increase of that amount would price us out of the market for students we thought that we would want to come here even with financial aid. So we rejected that option and decided to look at a different one.

In Option B, we bumped up the across-the-board increase for all students, including the current students, to 12 percent. Then took down the increase above that for new students to \$999, which would put them at \$6,357. That gets us the \$13 million, but our concern was it is still more than the 9 percent we had talked about last spring and would be a burden on our current students. Is there another way to put this together?

In Option C, we would keep the increase for all current students at 9 percent and then for new students at \$1,200 above that, which would put them at about \$6,400. This would get us \$11 million of the \$13 million that we're looking for and that is what we're recommending today.

There is no ideal solution to this. Unfortunately, this is the worst of both worlds. We have to talk about real budget cuts and reductions at the same time we're talking about tuition increases. But it's something we need to do to keep this institution viable in the future.

As President Kirwan and Provost Ray mentioned, this is our recommendation because we think this is the best balance of all these options. We realize there may be other ways to put this together and we're open to additional suggestions. We are not asking the Board to vote today, but we do need to make a decision by March 1 so we can let students know who are coming here next year what their tuition is likely to be.

Let me talk a little bit about this recommendation. I think the driving force is that we need to maintain our commitment to enhancing the academic quality of this institution, even during difficult economic times. We also need to continue to do all we can internally to reduce costs and reprogram revenues.

I think some of our colleagues at the state-level view us as a public utility of 20 years ago, where they would say, "Our natural gas prices went up, so we're just

## **PRESENTATION ON FUNDING STRATEGIES (contd)**

Mr. Shkurti: (contd)

going to pass them on to consumers.” We’re not in that business anymore, and we recognize that we have to do better in managing our resources.

We also recognize that our tuition policy should be as fair as possible to our current undergraduates who came here assuming a certain set of conditions and who we are encouraging to graduate as quickly as they can. We need to protect our students financially as best as we can.

We need to increase our financial aid. I strongly support the statement President Kirwan made that we share the Governor’s concern about the impact of what we’re doing on people who cannot afford to pay. We’ve been very aggressive in raising student financial aid. We did it last year and we’re committed to doing it again this year.

Finally, a high priority for the use of the increased resources will be to preserve and improve the quality of the student experience, both inside and outside the classroom.

President Kirwan talked about the details of the recommendations, so I’ll briefly touch on them again. We are recommending a 9 percent increase for instructional and general fees for current students to begin Summer Quarter 2002. We did not do a middle of the academic year increase, but to make up some of this money we need to get this implemented.

Then for new students, the increase of \$1,200 per year would begin Autumn Quarter 2002. We define new students as any undergraduate student starting at Ohio State in Summer Quarter 2002 or later. This means if someone came here for a couple of quarters, dropped out and then comes back, they would pay the old rate, not the new rate. We want to encourage them to finish their education. We’re also treating as Ohio State students, students currently enrolled at the Regional Campuses. So when they transfer here, they would transfer at the lower rate for current students, not the higher rate for new students.

We’re telling current students they would be grandfathered, or exempted, from the new higher rates for four years, through 2006. So with every new class, more and more students will pay the higher rate. Four years from now, everyone would pay the higher rate.

These recommendations apply to the Columbus Campus only. We want to give the Regional Campuses an opportunity to talk about how they want to deal with this issue and then bring forward a recommendation.

As we said earlier, student financial aid will be increased more than proportionately with the increase in tuition. This will make sure that any student who is otherwise qualified to attend this University will be provided access. This point is very important.

These recommendations are based on the levels of state support and House Bill 405. That was the budget balancing bill that was passed and signed by the Governor in December. In essence, if these levels change, all bets are off. We absorbed the cuts in mid-year from the state and protected our students by using our Rainy Day Fund and other resources. Some other universities didn’t. We’re not in a position to guarantee that we can do that again, so we’re all vulnerable to changes in the economy.

## **PRESENTATION ON FUNDING STRATEGIES (contd)**

Mr. Shkurti: (contd)

Even if we adopt these recommendations, it means we have to identify another \$2 million. This only raises \$11 million through a combination of spending reductions, reallocations, or income increases. We're looking at some options to do that and will come back to the Board at the March meeting and talk about it.

Finally, a point President Kirwan made that I think is extremely important, is that this is a combination of budget reductions, reallocations, revenue increases, and undergraduate revenue increases. All of these that we're proposing account for no more than 40 percent of the total solution to the problem. If you then throw in professional and graduate student increases, it's still only about half of the problem. About half of what we're doing to solve the problem is hard budget cuts, redirection, and reallocation of resources, and the other half is additional revenues.

After all this happens -- if we implement the recommendations we've talked about, which is the 9 percent for current students and the additional \$1,200 on top of that for new students -- where will that put us compared to comparable institutions? We have to make some assumptions here because we don't know what all the other universities are going to do, but we have a pretty good idea.

If you assume all the Ohio universities increase their tuition in the fall by 6 percent -- except for Ohio University which has announced a higher rate -- we would still remain eighth out of thirteen in tuition for our current students. We're right in the middle of the pack. We would be fourth out of thirteen for new students. We still would not be the highest-priced institution in the State of Ohio, even though we are a comprehensive research institution and we feel we are the academic leader of this state.

I've talked to many of my counterparts at other Big Ten universities and a number of them have already announced what their tuition plans are for the fall. If we compare ourselves to the public Big Ten and assume the institutions that haven't announced will increase their tuition by 10 percent, then we would remain seventh out of ten for current students and fifth out of ten for new students. So we would be right smack in the middle.

If you look at the benchmark institutions -- our aspirational peers, which include some Big Ten public schools and some that are not -- OSU would rank fifth out of ten for current students and fourth out of ten for new students. Again, we would be right in the middle compared to those institutions.

At this point, I hope you have a sense of both the nature of the challenges that face us, the options we looked at for dealing with these challenges, and the recommendations we made and why. I'll now turn this back to my colleague, Ed Ray, who will talk about the implications.

Provost Ray:

I want to make a few quick points and then we will get to the question and answer session. Let's talk about what happens next.

As we indicated, we hope that the Board will be able to make a decision on March 1 regarding tuition for next year's continuing and new students, so that they can be prepared for next fall. I want to remind you that all other fees and charges will be determined later in the spring as part of the regular budget process. Again, decisions about how funds get distributed will be dealt with through the normal budget process in late spring and early summer.



**PRESENTATION ON FUNDING STRATEGIES (contd)**

Provost Ray: (contd)

Again, the caveat that Bill issued is that this is all dealing with reality as we know it. If there are additional surprises down the line, we may have to talk about yet other actions to be taken.

Let me stop there and turn it back over to President Kirwan and Chairman Brennan.

Mr. Brennan:

Thank you very much. Although there is no motion to be presented today, we're open for discussion among the Board. Are there any questions for the panel?

Mr. Sofia:

Bill, with the proposal you are making -- I'm just speaking of the institution with the highest tuition -- it looks like Miami University would still be about 30 percent higher than Ohio State for all students, and about 15 percent higher for new students.

Mr. Shkurti:

That sounds about right.

Mr. Sofia:

The reason I'm making this distinction is that as we all know, Ohio State ranks higher than Miami University. At the same time, a lot of students associate quality with what you pay. Perception is a reality. I just wanted to make that observation. I don't know of any other school that has the quality we have and that is so affordable to so many students.

Mr. Brennan:

Thank you, Zuheir. Dan --

Mr. Slane:

Bill, are the recommendations predicated on state support in the future staying the same?

Mr. Shkurti:

Staying the same at least for the remainder of the biennium or meaning what it is after the Governor's cuts. We're assuming the executive cuts the Governor made this year will be rolled over to FY 2003. That is correct.

Mr. Slane:

Is it reasonable to assume that since state support has been cut at least for the last three years, that it's going to continue down?

**PRESENTATION ON FUNDING STRATEGIES (contd)**

Mr. Shkurti:

That is probably the thing I worry about the most. We're in a dynamic situation and right now the economy looks to be recovering, but that could change next week. That is why I said when I was talking about House Bill 405, that if for some reason the state gets back into financial trouble and turns around and passes on additional reductions to us, all bets are off. Then we will have to figure out what to do next.

There is no way the state can guarantee us that they'll not reduce us in the future. That is something we need to think about as we do reductions now and also as we plan ahead. What would happen if there is bad news down the road? I don't want to be a Cassandra – things could work out fine and we could be okay, but there's no guarantee that would happen.

If you look at the other recessions the state has been through, I particularly worry about the one that lasted from 1980 through 1983. It's called a double-dipped recession. It looks like you're coming out of the recession and then you fall back in.

The other thing I worry about is the budgetary Pac Man called Medicaid. This is an entitlement program that is caseload driven and tends to be a lagging cost after the economy turns around. No matter who has been in charge or who the administration is, it has been a struggle to keep the costs of that program under control. The economy could recover, but if Medicaid expenses can't be controlled, that could create budget problems as well.

In those circumstances the Governor has no choice, the Constitution requires a balanced budget. The Governor can only cut by Executive Order, unless he can convince the legislature to raise revenues and that is very difficult. You now have a problem this Governor and Governor Voinovich had that previous governors did not -- the DeRolfé decision. When in effect, it will take off the table over a third of the state budget for K-12. So that puts us in a somewhat precarious position and why, as we think through solving the problem today, we need to think ahead.

One of the reasons that we agreed to recommend the two-tiered approach on tuition is that it builds in a steady source of income from students who choose to come here. If you phase it in over a number of years this income can be invested in improving the institution.

Mr. Brennan:

Jim --

Mr. Patterson:

Bill or Ed, some clarification on the question of compensation. There is some significance to it because it's approximately 50 percent of what the \$73 million that we're showing as needed. My bias is that we're a very good institution and there are some people that say that we're a good institution. I don't believe there's anyone in this room that would disagree with the fact that our goal is to become a great institution.

That being the case, is the compensation -- the \$30-\$34 million -- just for raises? Or is it compensation to attract outstanding faculty and staff? Or is it compensation to have the appropriate number of instructors per student? I am totally supportive of the compensation raises, so that's not the question.

**PRESENTATION ON FUNDING STRATEGIES (contd)**

Mr. Patterson: (contd)

Bill, you said the \$20 million that we cut is going to result in the loss of 400 positions. Is this \$30-\$34 million based upon that lower number or is it based upon another number? I think, it's 50 percent of our reason for the \$73 million and so we need to have a basis for it.

Mr. Shkurti:

Mr. Patterson, let me answer your last question first and then turn to Ed for answers on the broader issues. The reason we provided a range is that we're rather early in the process. We don't know the impact of all the reduced positions, so the lower end of the range would assume some reduction of positions. On the other hand, we haven't assumed a lot of new hires in that. That's essentially to provide a market-level increase for the people that are here or that will be here after the beginning of the year.

It also includes about \$12 million for benefit increases and health insurance benefits are going up again this year. When you take the \$12 million out, that leaves a little over \$20 million for pay increases. So compensation is both pay and benefits. I'll turn to Ed on the issue of hiring additional people.

Provost Ray:

The dollar figure is really associated with compensation for current faculty and staff. There is some range because there could be some modest change in that. If you remember, we said that first and foremost we need to recruit and retain world-class faculty to achieve our objectives with respect to the Academic Plan.

While these represent compensation rates that we think we need to meet in order to retain our faculty -- particularly in light of the minimal increases this year -- those compensation figures are always based on merit only. That sends very powerful signals as we go out into the marketplace and try to recruit new faculty. Faculty know what their colleagues' capabilities are and what our compensation packages look like, and that has an impact in the future in terms of their willingness to consider coming here. How we treat our people here who do accomplish things and are highly capable, sends a signal to outstanding scholars that we hope to bring here. It is an important signal to send.

Ms. Longaberger:

What are you anticipating as the impact on enrollment with these recommendations?

Provost Ray:

In adding new and transfer students to the University rolls, we think that we can hold the quality measures with justifiable pride, such as ACT scores -- students in the top 10 percent of their graduation class. We can hold those quality measures constant and still meet our enrollment targets of 5,800-6,000 new fall quarter freshman. In part because we're getting better at encouraging and enticing students to want to come here, and because other institutions are having to raise their tuition as well.

Ms. Longaberger:

You read in the papers everywhere that when people are not able to find jobs that they go back to school. I wonder if we're putting enough money in financial

## **PRESENTATION ON FUNDING STRATEGIES (contd)**

Ms. Longaberger: (contd)

aid, given all of the laid off workers that we have throughout the country that may be considering developing themselves. As universities raise tuition rates, it would be a real challenge for them to make that up, particularly when they're unemployed.

Provost Ray:

There are really two aspects of that. Again, to remind all of us that as the President indicated, 30-40 cents on every dollar that we raise through these tuition increases will be put into student financial aid. We understand that as the price goes up, the issue of access and affordability becomes a critical one. We've had experience and have been doing this for a number of years. We know that with that kind of commitment to financial aid, we can be well assured that students who are otherwise qualified to be here, can afford to be here.

There is a longer term issue, not just for people who may be coming out of the workforce and going back to college, but people who are having trouble in the workforce who have children who want to go to college. Part of what we have to remember is not to be too short-sighted. We really have to keep our sights on what we're trying to accomplish in the long term and help the state accomplish. If we can help the state have a better, more vital, and stronger economy, then, in fact, the children of those who are having difficult economic times now won't have such difficult times in the future, given the kind of educational tools we can give them. Bill –

Mr. Shkurti:

The other element of this is really interesting. I asked Tallie Hart, director of Student Financial Aid, what happens when a person is laid off and what is the process? Tallie confirmed that either the person or their children do become eligible for financial aid.

She said one of the major problems we have is communication. The federal form for financial aid that everyone fills out is based on what the person's previous year tax return was, because that's the way they verify the income. She says we have a process for waiving that and taking into account the change in circumstances, but a lot of people don't understand that. We encourage them to come in to the office for help.

It also does not help when we get headlines, "Tuition Increases X zillion percent," without any context. People think, "There is no way I can afford it," and they don't even try. So for the people who actually lose their jobs, we can help out with financial aid and that's why we're increasing it.

Then the people I worry about are people that are working at a level where they're not eligible for financial aid, but are gainfully employed. This is a struggle throughout the whole system. That is why we tried not only to provide enough money to help the people on the lowest end, but to expand the amount of financial aid that's available -- either with University general funds, private fundraising, or merit-based aid. There are also some substantial increases in federal aid.

Fortunately, we have a way to help laid off workers directly, but it is a communication issue. We need to work through the lower-middle end of the economic spectrum.

**PRESENTATION ON FUNDING STRATEGIES (contd)**

Mr. Sofia:

Mr. Chairman, a follow-up to Tami's question. We talked about access, affordability, and fairness – the \$1,200 we're going to charge a new student, who is sitting in the same classroom with a current student. Tami mentioned that we have a large number of people unemployed in Ohio, and those people are going to be sending their daughters or sons to Ohio State as a new student. How do you address that issue?

Provost Ray:

Part of the answer to that is that the new students will be here four years, certainly no more than five years. For the continuing students, they're not going to be here as long. So to the extent that we make good use of the resources that we bring in -- to increase advising and counseling, to deal with closed course problems, to provide more faculty instruction in high-demand areas, and to bring more technology to bear on the classroom -- those students who are paying more for that longer period of time will be greater beneficiaries of the changes we're able to afford, than those who are already here and continuing students.

President Kirwan:

There is one other point to make to that, Zuheir, and that is that the student has made a choice to come knowing what the circumstances are. To impose and go beyond where we had intended to be for current students, to me that is unfair. The new students are making the choice.

Mr. Patterson:

Will the \$1,200 differential just be in place for four years -- if a person stays five years ...

Mr. Shkurti:

Yes, but it is less people each year.

Provost Ray:

Then everyone will be at the same rate.

Mr. Brennan:

Tami, I believe the thrust of your question and thought was, "Would this impact enrollment because of the increase and would financial aid be sufficient?" I believe we've had experience with that, haven't we? What has happened?

Mr. Shkurti:

We asked ourselves that same question when we increased tuition nine percent last year, but our enrollment was up in the fall. That was a good sign that students are reacting well to the kind of university that we're providing and also to the financial aid package.

We've talked this over with our enrollment people and they are a little skittish about the \$1,200 in terms of recruiting. They recognize it's a calculated balancing between the sticker price that we're offering new students and what we're able to offer them in the way of services and personal attention and being able to get the classes they need.

## **PRESENTATION ON FUNDING STRATEGIES (contd)**

Mr. Shkurti: (contd)

As I mentioned when we talked about options, the reason we did not want to go above \$1,200, is that we thought of the enrollment impact and of losing enrollment would offset any advantages we had there. The \$1,200 pushes it a little bit. In a perfect world it would nice if we didn't have to do that, but we don't live in a perfect world. We're trying to balance things.

Ms. Longaberger:

You mentioned that the Regional Campuses will have the opportunity to discuss the tuition increase. What about out-of-state students? You didn't mention graduate or professional students?

Mr. Shkurti:

First, let me deal with out-of-state undergraduate students. The way our system works is these students pay what the in-state students pay, plus a surcharge on top of that. So all of these increases we are talking about -- the nine percent and the \$1,200 -- will be paid also by the out-of-state students. In addition, we're programming the out-of-state surcharge to increase another five percent on top of that.

Up to now one of the challenges we have is that with the way the state deals with tuition caps -- which is the Soviet-style, one-style-fits-all -- our undergraduate resident tuition is way below market of competing institutions. The tuition we charge for graduate and professional students and out-of-state students is at market. We don't see a lot of room to maneuver there without causing ourselves enrollment and fairness problems.

On the other hand, we are going to go back -- because Mr. Sofia had asked this at a previous meeting -- and take a look at the out-of-state fees compared to other places. To get a better sense of what other institutions are going to do and make sure we're at least charging as much as we should be. There is a fairness issue in that the students that are here are supported by the taxpayers. This cuts two ways because the students we bring in from out-of-state are undergraduates, receive no state support, and, in fact, pay about twice what the state pays us for the in-state students.

It is an interesting situation. As a state institution we have our greatest loyalty, and should, to the people of Ohio, and to their sons and daughters. We benefit financially if we have more out-of-state students because of the way the state reimburses us. That is an important thing to keep in balance.

President Kirwan:

I want to make a brief comment on the issue of what will this do to our competitiveness with new students. At least for in-state students -- which are the bulk of our students -- our main competition is Miami University, Ohio University, and Cincinnati. These institutions will all have higher tuition than our new students would face. In relation to our major competition, we would still be under their cost.

Mr. Brennan:

Jo Ann --

**PRESENTATION ON FUNDING STRATEGIES (contd)**

Mrs. Davidson:

On page twelve, I draw the assumption that the dollar amount that you have in scholarships and financial aid is based upon making up the entire gap here of \$13 million with some type of tuition. So if there was a different decision made, whatever it might be, to not do that, than that line item would decrease.

Mr. Brennan:

That's correct.

Mrs. Davidson:

So that could conceivably be a lower number.

Mr. Brennan:

Only in part. The \$24 million, which is a carryover, also has a substantial financial aid piece to it, probably two-thirds of that.

Mrs. Davidson:

Right. But if my math is correct, you're basing it on thirty percent of your \$24 million, plus \$13 million. Therefore, you would have a decrease if there were other decisions made. I just want to be sure I'm understanding this correctly.

Provost Ray:

Correct. If it is costing you forty cents on the dollar to get a dollar of revenue, you can save forty cents, but you lose a dollar's worth of revenue. On balance you end up worse off -- you lower costs, but you lower revenues more.

Mrs. Davidson:

The second question I have deals with the other line, which we haven't discussed -- "All Other." Can you do a breakout in what we're talking about on "All Other?"

Mr. Shkurti:

Sure. We deliberately tried to keep this chart clean and simple for putting up on a screen, but it reflects about eight pages of computer printout. I will not go through all of those, but let me give you a flavor of what's in there.

There are really three different categories: facilities costs; multi-year commitments regarding quality from Academic Affairs; and then "Other." Let me give you a sense of each of those. In the case of facilities -- utility bills, insurance, debt service, and rent -- we're assuming about a three percent increase. That would be \$2-\$3 million, of the \$8-\$11 million.

On the OAA multi-year commitments, this is driven almost entirely by quality. It includes, for example: 1) the Selective Investment Awards that have been made, which are multi-year awards, and there is \$2 million set aside for that; 2) the rebasing of unit budgets, which is based on their academic contribution and a look at their finances. There is \$1.6 million that would go to colleges based on their contribution to the academic needs of the University, as determined by the Provost; and 3) a recruiting initiative trying to bring more academically qualified students to Ohio State, which is the remaining \$400,000. That whole track is

## **PRESENTATION ON FUNDING STRATEGIES (contd)**

Mr. Shkurti: (contd)

about \$4 million and is related to specific investments in quality that go through the Provost's Office that are consistent with the Academic Plan.

The third category, which I would call, the "Other of the Other," includes a program called, "Revenue Enhancements." This is where we've said to the professional schools, "You can raise your tuition above the normal five percent, as long as you have a discussion with your students, they're supportive of it, and you target it into improving your programs." We've been doing this for five or six years. We are showing that on the revenue side, as well as on the expense side, and that is \$2.6 million.

In response to Ms. Longaberger's question, we want to make sure we have the enrollments we need in these very tumultuous times. We have a \$1 million enrollment reserve set aside in there, so that gets you \$3.6 million.

Then the remaining \$500,000 is what we call, "unfunded mandates." We have found that our political leaders of both parties -- particularly, while they're running for election and right after they're inaugurated -- say, "The one thing we're not going to do that the other guy did was pass on unfunded mandates to states, cities, and universities." They all say it regardless of their party.

About six months later, we start to get mandates of \$100,000 here and \$500,000 there. It is not frivolous stuff. It is environmental compliance -- we want to be a good neighbor to Upper Arlington and to the City of Columbus. It is Americans' for Disabilities Act -- so our University is accessible, but that is not cheap. It is different kinds of mandated benefits, the portability of insurance and so forth. My experience has been year in and year out that those add up to about \$500,000 a year.

It used to be that the University would say, "We don't like them, so we're not going to do them." The University would wait to get sued and it would get sued, and it would either lose the lawsuit or have to settle out of court for millions of dollars. So, we're trying to be proactive. I wish we didn't have to do it, but they're legitimate causes. We document those every year for the Board. So that is \$500,000, and that gets you to about \$4 million.

So you have \$2-\$3 million in facilities; \$4 million in the OAA quality enhancements, consistent with the Academic Plan, and \$4 million in the remainder; that gets you \$10-\$11 million. You may wonder then why does my chart show \$8-\$11 million.

After I did the charts, I thought that there is probably somebody who is going to ask me what those are and I better defend them. I've said we just don't pass on costs, so I lowered the facilities pass through by a \$1 million. I lowered the "Other," which includes the enrollment reserve by a \$1 million on the lower end just to keep it balanced. We could talk about University priorities, but I don't think there is anything that is frivolous in there that is not appropriate.

Mrs. Davidson:

Just a little defense to former and current governors and legislature, let me point out that every one of the things that you cited are federal mandates, not state mandates.



**PRESENTATION ON FUNDING STRATEGIES (contd)**

Mr. Shkurti:

Fair point, Mrs. Davidson.

Mr. Brennan:

I think his point was regardless of party, not which government.

Mrs. Davidson:

I was just relating it federal to state, Mr. Chairman.

Mr. Brennan:

Dimon --

Mr. McFerson:

I'd like to simplify things. I started my life as an accountant, so I have to keep things simple.

We have commitments, challenges, and some options. One of the three big commitments that I've heard is that we have a commitment to the faculty on compensation. I absolutely think we cannot, in any way, take that stake out of the ground. That is a firm commitment.

We have an implied commitment to the students that we're not going to raise tuition more than nine percent. That stake is in the ground.

We have an Academic Plan that we have talked about, our President has been far out in front of that, and this Board has been very supportive of that all along the way. We can't back off that, to do so would change the very nature of what we're trying to accomplish at this University.

The challenges are that the state right now is not very excited about a two-tier solution and we don't know if there's going to be any more budget cuts. We're hopeful that that will not be the case. So we have a \$13 million shortfall. Is it fair to summarize that it's a \$13 million problem?

Mr. Shkurti:

Gap.

Mr. McFerson:

Okay, we have a \$13 million gap on our hands. What are the options? You know we've all bought things and after you have the purchase price you have a shipping and handling charge. I don't think we want to get involved in a S&H charge around here, where we are nicked and dined. I suspect we could take a look at fees for everything and come up with a few million dollars, but there's no magic \$13 million fee standing out there. If there was, you would have presented it to us, so that's not an option.

We have the two-tier program that is working in other states that is an option for us, but it's a challenge right now. As you presented to us, higher tuition for everybody is an option. It goes against our commitments, but it's an option for us.

**PRESENTATION ON FUNDING STRATEGIES (contd)**

Mr. McFerson: (contd)

We can do some rather extensive budget cuts beyond where we are, but you've indicated to us, Bill, that we begin to cut into the muscle if we do that. As you pointed out maybe we can find, in your preferred option, at least \$2 million of additional cuts. An organization of this size can always find \$2 million. From my perspective, I don't think as an institution we can put it at risk by doing things that would risk where we want to go.

It absolutely starts with a world-class faculty. In the President's opening remarks he commented on some wonderful things that are happening here. At every meeting he talks about wonderful things that are happening with our faculty. That is where we have to always start and so we can't put at risk the progress that we've made there.

I see between now and the next meeting getting together with the state and trying to work out an acceptable solution. I don't know what that is, but in light of the commitments we've made, and in light of the challenges that we face, we have to close that \$13 million gap. There is no easy answer, but I applaud the administration for putting forth their best view of the problem. I think as Trustees, we have to recognize our stewardship is to this University and to stay in line with the commitments that we have made.

Mr. Brennan:

I'd like to add on just a thought to your last remark, Dimon, and that this is sometimes lost in the public view of what's going on right now. We hear often, that the state must balance its budget, which is true. So must we. We have a fiduciary obligation as Trustees to provide a balanced budget for this University. This is not an option. This is not something that we maybe can do. We have to do that.

Our obligation is just as compelling as the obligation of the state to balance its budget. I think that it gets lost in too much public dialogue on this. So whatever discussion we have, and I'm sure that will take place, it has to include that recognition.

Like you, Dimon, I like to get down to the snapshots. I'm intrigued by two numbers in this report that we have and I'd like to clear up one of them. I believe you mentioned on page 12, that we have a \$20 million shortfall in the state fund support. Then on page seven, you tell us that the undergraduate portion cuts \$12 million. I assume the difference is reduction and support because of the graduate program?

Provost Ray:

I'm sorry, Mr. Chairman, the figure on page seven was to suggest if one looked at what has happened in terms of just the state's share of instruction.

Mr. Brennan:

Definitely, but that much of the cut is undergraduate cut.

Provost Ray:

It's been cut the equivalent of \$12 million.

**PRESENTATION ON FUNDING STRATEGIES (contd)**

Mr. Brennan:

It's not appropriate to say that of the \$20 million, only \$12 million was undergraduate?

Provost Ray:

No.

Mr. Brennan:

One thing is clear though, that if the state had not cut us \$398 in instruction per student, we wouldn't have a \$13 million problem. That is clear, isn't it?

Provost Ray:

Absolutely.

Mr. McFerson:

If we had the opportunity for the same 9 percent increase that Miami had, the Miami dollars for us solves our problem.

Mr. Brennan:

That's true, too. This flash point we're facing is a creation beyond our control. All that is in our control is the discussion we're having this morning and we have a fiduciary obligation to make sure that we discharge that. I expect that's what we're going to have to do.

I'd like to make two other comments and then I'm sure there are other questions. I felt that one of the answers we ought to give to Tami's concern about enrollment was that our experience with financial aid under the 9 percent increase was that our reserve was more than adequate. Is that not correct?

Provost Ray:

Correct.

Mr. Brennan:

Our experience indicates that our people are pretty good at anticipating how much will be necessary and, frankly, that gives me quite a bit of comfort.

I'm proud of this Board and the time we've talked about these issues. We have all been very strong and forceful that we are obligated to maintain the ability to accept students who need financial help and that these increases will not impact them. I do not believe that is played up enough in the press, nor played up enough in the public awareness. We're dedicated to that and, I don't believe, we are not going to equivocate on that.

Finally, just as a footnote, I suspect that some people would say in this state that our leading university may be Case Western Reserve. Case Western is a private university and raised its tuition \$1,500 this year – now it is \$22,500 a year to attend. Any more questions from the Board? Kevin --

**PRESENTATION ON FUNDING STRATEGIES (contd)**

Mr. Filiatraut:

Thank you. You mentioned that the University of Illinois has done this, or a plan similar to what you are suggesting. I'm wondering what student reaction was to that plan? Also, I'm wondering if there has been any inquiry as to how enrollment was affected the first year after that plan, especially in regard to minority enrollment?

Mr. Shkurti:

I have talked to my counterparts at Illinois. They have told me that politically -- throughout the State of Illinois, both by current and future students -- there was no problem with the two-tier approach. They suffered no diminution of enrollment either generally or with minorities, and they felt it worked very well.

Now in fairness, I need to say they did it in two steps. They raised tuition \$500 the first year and then they will raise tuition an additional \$500 on top of that next year. We are going to be a little more aggressive than that. Fundamentally, they feel -- and I haven't heard anything to the contrary -- that it was very successful and got them where they needed to go.

President Kirwan:

I've had a number of conversations with Jim Stukel, President of the University of Illinois, basically confirming what Bill just said. They thought there was acceptance of it across the state, and that it had no impact on enrollment or the quality of the undergraduate student body.

Mr. Filiatraut:

I have one more question. We didn't see anything about how graduate and professional tuitions would be affected by this. In years past, there has always been a five percent increase. Is that going to increase?

Provost Ray:

That is part of the \$24 million that we talked about in terms of anticipated increases for next year. We talked about the 9 percent for undergraduates and 5 percent for graduate and professional students, as the anticipated tuition increases we would have for next year.

Mr. Filiatraut:

So, it's still at 5 percent for next year?

Provost Ray:

Yes.

Mr. Filiatraut:

Will the professional colleges still be able to price to market, as they have in the past?

Mr. Shkurti:

Yes. In fact, Ed and I sent out the memo a week ago to the deans for those professional schools that said, "If you can make a case that you are below

**PRESENTATION ON FUNDING STRATEGIES (contd)**

Mr. Shkurti: (contd)

market, that you work with your students, and this is an improvement you'll be able to make with this money, we will entertain a request which, in turn, we will recommend back to the Board later this spring." So that process still remains.

Mr. Brennan:

Any other questions?

Mrs. Davidson:

There were comments made in the presentation about the assumptions on budget reductions that included the elimination of a certain number of positions. Could you elaborate on this?

Mr. Shkurti:

We are talking about possibly eliminating 400 full-time equivalent positions. We would do this first by not filling vacant positions. We would also do this by not filling positions once people retire. We will do everything in our power not do any type of layoffs, but we probably won't be able to avoid that.

Mr. Patterson:

I just wanted to comment on Dimon's remarks. I agree with Dimon that in the next 30 days we need to rely on this leadership, the Chairman and the President, getting together with the state and trying to find a solution.

Mr. Brennan:

I agree. We have 30 days for this leadership and administration to talk and meet with state officials. I am confident there will be meetings arranged to come up with a final recommendation to bring to the Board at the March meeting.

This has been a wonderful discussion today and I look forward to future dialogue.

(See Appendix XXII for background information, page 783.)

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**CONSENT AGENDA**

President William E. Kirwan:

We have seventeen resolutions on the Consent Agenda today and unless there are any objections, I would like to recommend the following resolutions to the Board:

**ESTABLISHMENT OF A PH.D. DEGREE PROGRAM IN WOMEN'S STUDIES**

Resolution No. 2002-67

Synopsis: Establishment of a Ph.D. degree program in Women's Studies in the College of Humanities.

WHEREAS over the past three decades women's studies has become a distinctive interdisciplinary field which has evolved into a doctoral-granting discipline; and

**ESTABLISHMENT OF A PH.D. DEGREE PROGRAM IN WOMEN'S STUDIES (contd)**

WHEREAS the Department of Women's Studies has strong M.A. and undergraduate programs which advance the field on a nationally recognized level; and

WHEREAS the department currently houses a distinctive faculty with excellence in the field of women's studies and a range of disciplinary strengths; and

WHEREAS the proposed program will prepare future scholars for academic positions and service to public and private agencies and institutions; and

WHEREAS there are less than ten Women's Studies Ph.D. programs in the United States and none in Ohio; and

WHEREAS the proposed program supports the institutional goal of increased attention to diversity in the student body and curriculum, and commitment to the education of women; and

WHEREAS the proposal adheres to all Office of Academic Affairs and Ohio Board of Regents Guidelines for Approval of Graduate Degree Programs; and

WHEREAS the proposal was discussed and approved by the Research and Graduate Council, the Council on Academic Affairs subcommittee, the full Council on Academic Affairs, and was approved by the University Senate at its January 10, 2002 meeting:

NOW THEREFORE

BE IT RESOLVED, That the proposal to establish a Ph.D. degree program in Women's Studies in the College of Humanities is hereby approved to be effective upon the approval of the Ohio Board of Regents.

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**ESTABLISHMENT OF A MASTER OF OCCUPATIONAL  
THERAPY DEGREE PROGRAM**

Resolution No. 2002-68

Synopsis: Establishment of a Master of Occupational Therapy degree program in the School of Allied Medical Professions is proposed.

WHEREAS the Bureau of Labor Statistics reports that occupational therapy will be among the fastest growing occupations; and

WHEREAS modern trends in health care and in occupational therapy practice call for professionals with graduate level education to be consultants, team leaders, supervisors, independent practitioners, and participants in research; and

WHEREAS the undergraduate program in Occupational Therapy has a national reputation as an exemplary program, has been productive in scholarship and research, and has a history of attracting very high-quality students; and

WHEREAS seventy-eight of 131 occupational therapy educational programs currently accredited by the Accreditation Council for Occupational Therapy Education (ACOTE) offer entry level master's programs; and

WHEREAS ACOTE has decided that as of January 1, 2007, it will only accredit post-baccalaureate occupational therapy programs; and

**ESTABLISHMENT OF A MASTER OF OCCUPATIONAL  
THERAPY DEGREE PROGRAM (contd)**

WHEREAS the proposal adheres to all Office of Academic Affairs and Ohio Board of Regents Guidelines for Approval of Graduate Degree Programs; and

WHEREAS the proposal was discussed and approved by the Research and Graduate Council, the Council on Academic Affairs subcommittee, the full Council on Academic Affairs, and was approved by the University Senate at its January 10, 2002 meeting:

NOW THEREFORE

BE IT RESOLVED, That the proposal to establish a Master of Occupational Therapy degree program in the School of Allied Medical Professions is hereby approved to be effective upon the approval of the Ohio Board of Regents.

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**AMENDMENTS TO THE RULES OF THE UNIVERSITY FACULTY**

Resolution No. 2002-69

Synopsis: Approval of the following amendments to the *Rules of the University Faculty* are recommended.

WHEREAS the University Senate pursuant to rule 3335-1-09 of the Administrative Code is authorized to recommend through the President to the Board of Trustees the adoption of amendments to the *Rules of the University Faculty* as approved by the University Senate; and

WHEREAS the proposed changes in the *Rules of the University Faculty* were approved by the University Senate on January 10, 2002:

Amended Rules

3335-5-21 Secretary of the university faculty.

- (A) The secretary of the university faculty shall be a tenured member of the regular faculty, appointed by the president from three nominees submitted by the executive committee of faculty council. The term of office shall be for three years. Prior service as secretary shall not preclude nomination to this office. During the term of office the secretary shall be reassigned for a minimum of fifty per cent time to the office of the faculty council during autumn, winter, spring and summer quarters. The secretary of the university faculty will be evaluated annually by the executive vice president and provost, the chair of the senate steering committee, and the chair of the faculty council.
- (B) The responsibilities of the secretary of the university faculty shall be to:
  - (1) ~~Keep the records of the meetings~~ Serve as an advocate of the collective interests of the university faculty and shall furnish to the president for report to the board of trustees all matters passed by the university faculty requiring approval or action on issues of campus-wide importance. In this capacity the secretary shall:
    - (a) Serve as a representative of the faculty at the faculty cabinet of the faculty council.
    - (b) Serve as a non-voting member of the senate.
    - (c) Serve as a non-voting member of faculty council.

**AMENDMENTS TO THE RULES OF THE UNIVERSITY FACULTY (*contd*)**

Amended Rules (contd)

- (d) Work to increase faculty awareness of and participation in the university senate and other university-wide governance bodies.
- (e) Keep the records of the meetings of the university faculty and furnish to the president for report to the board of trustees all matters passed by the university faculty requiring approval or action.
- (f) The secretary of the faculty shall report annually to the faculty council and the university senate.
- (2) Counsel and advise members of the faculty seeking information and clarification of university-wide policies that affect faculty, e.g., promotion and tenure, academic freedom, sexual harassment, paid external consulting, conflict of interest, workplace violence, and scholarly misconduct.
- (3) ~~Refer faculty to appropriate senate committees or dispute resolution mechanisms when issues such as complaints over promotion and tenure, or alleged infringement of academic freedom arise.~~ The secretary of the faculty will not, however, serve as a mediator for individual faculty member complaints.
  - (a) Refer faculty to appropriate senate committees, offices, or dispute resolution mechanisms.
- (4) ~~Serve as an advocate of the collective interests of the university faculty on issues of campus-wide importance.~~
- (5) ~~Serve as a member of the faculty cabinet of the faculty council.~~
- (6) (b) Consult regularly with the office of academic affairs and the committee on academic freedom and responsibility and advise the office of academic affairs and the committee on academic freedom and responsibility on the adequacy of and needed improvements in the dispute resolution mechanisms available to faculty.
- (7) ~~Work to increase the faculty awareness of and participation in the university senate and other university-wide governance bodies.~~ (B/T 4/7/2000, B/T 2/1/2002)

3335-5-452 Secretary of the university senate.

- (A) The secretary of the university senate shall be a tenured member of the regular faculty, appointed by the president from three nominees submitted by the steering committee. The term of office shall be for three years. Prior service as secretary need not preclude nomination to this office. During the term of office the secretary shall be reassigned for a minimum of fifty per cent of time to the office of the university senate during autumn, winter, spring, and summer quarters. The secretary of the senate will be evaluated annually by the executive vice president and provost, the chair of the senate steering committee, and the chair of faculty council.

(Balance unchanged)

NOW THEREFORE



**AMENDMENTS TO THE RULES OF THE UNIVERSITY FACULTY (*contd*)**

BE IT RESOLVED, That the foregoing amendments to the *Rules of the University Faculty* be adopted as recommended by the University Senate.

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**AMENDMENTS TO THE OHIO STATE UNIVERSITY AIRPORT RULES**

Resolution No. 2002-70

Synopsis: Approval of the following amendments to rules governing the operation and use of the University Airport is recommended.

WHEREAS The Ohio State University owns and operates an airport facility to further enhance the nationally renowned teaching, research, and service missions of the Department of Aeronautical Engineering and Aviation; and

WHEREAS the University Airport has served owners of small aircraft in general aviation for several decades; and

WHEREAS the College of Engineering and the Department of Aeronautical Engineering and Aviation have revised The Ohio State University Airport Rules to reflect to the users of the facility and to the surrounding community their commitment to the missions of the University, the college, and the department; and

WHEREAS revision of these policies and their codification as Rules of the Administrative Code are deemed necessary to ensure the safety of airport operations, regulate the use of airport facilities, and generally promote the efficient operation of the airport:

Amended Rules

3335-105-01 Definitions.

As used in rules 3335-105-01 to 3335-105-11 of the Administrative Code:

(A) and (B) unchanged.

(C) "Airport manager" means that person appointed by the Ohio state university to operate and/or manage the Ohio state university airport or a designated representative. The airport director serves as the manager of the Ohio state university airport.

(D) Unchanged.

(E) "Based aircraft" means any aircraft regularly stored at the airport, either in a hangar or tied down, for which the required application to base private aircraft, including evidence of insurance and maintenance information, having been made available for inspection, has been submitted by the aircraft owner and approved by the airport manager.

(F) and (G) unchanged.

(H) "FAA ATCT" means the federal aviation administration or contracted air traffic control tower at the Ohio state university airport.

(I) Unchanged.

(J) With the exception of standard aircraft preflight inspection of aircraft fuel, "Fuel handling" means the transporting, delivering, fueling and draining of fuel or fuel waste products.

**AMENDMENTS TO THE OHIO STATE UNIVERSITY AIRPORT RULES (contd)**

Amended Rules (contd)

- (K) Unchanged.
- (L) "Fuel storage area" means those portions of the airport designated temporarily or permanently by the airport manager as areas in which gasoline or any other type of fuel may be stored, including but not limited to gasoline underground or above ground fuel storage locations.
- (M) Unchanged.
- (N) "Flight instructor" means a federal aviation administration certified flight instructor or ground instructor possessing a valid instructor certificate ~~hired as a member of the university's flight training clinic or otherwise approved by the airport manager.~~
- (O) through (S) unchanged.
- (T) "Public" means the people as a whole, or the community at large, ~~or~~ open to all persons or the general populace.
- (U) "Ramp and Apron Area" means those portions of the Airport designated and made available temporarily or permanently to authorized persons for loading or unloading of both passengers and cargo in ~~into~~ and from aircraft.
- (V) through (X) unchanged. (B/T 3/5/82, B/T 2/1/2002)

3335-105-02 General.

- (A) These rules shall be available for inspection at in the ~~operations desk of the airport administration office.~~
- (B) All persons using, or working at, the airport shall comply with these rules and all other rules, regulations and policies of the Ohio state university.
- (C) Based aircraft at the ~~university~~ airport shall not be operated for hire to the public from the airport for flight instruction, charter, rental, or cargo purposes without the approval of the airport manager and, as appropriate, other university officials.
- (D) and (E) unchanged.
- (F) ~~Regular employees of the university are eligible for faculty/staff rates for storage of aircraft at the airport. The faculty or staff member must be the FAA registered owner of the aircraft, or the principal officer of a corporation, principal owner of an aircraft in conjunction with a partnership, association, or other organization which owns a principal interest in the aircraft. The employee must submit a written request to the airport manager for faculty/staff rates with his or her application to base private aircraft. All persons desiring hangar space at the airport shall provide proof of ownership or lease of the aircraft to be stored, if requested by the airport manager.~~
- (G) All persons, including flying clubs, are limited to leasing no more than two t-hangar units at any one time, unless approved by the airport manager.
- ~~(G)~~(H) Rental charges for tiedown or hangar ~~space~~ shall be billed in advance and due upon receipt.
- ~~(H)~~(I) When a based aircraft is to be removed from the airport, written notice shall be furnished to the airport manager in advance of the removal. ~~In the case of hangared aircraft, a~~ A thirty-day notice in advance of such action is required. In all cases, rental charges shall

**AMENDMENTS TO THE OHIO STATE UNIVERSITY AIRPORT RULES (contd)**

Amended Rules (contd)

continue to and include the last day of the month designated for removal in the written notice. No refunds shall be made for unused portions of any period. Rates are subject to change without notice.

~~(H)~~(J) All debts or charges incurred at the airport are due immediately unless the airport manager approves the establishment of an account. Monthly invoices for sales and services shall be payable upon receipt. Failure to make prompt payment may result in cancellation of the based aircraft agreement or of cancellation of any leases, revocation of tiedown privileges, ~~impounding of aircraft~~, or any other action deemed appropriate by the airport manager. In addition, unpaid accounts shall be assessed late charges computed by a single periodic rate.

~~(J)~~(K) Unchanged.

~~(K)~~(L) Unchanged.

~~(L)~~(M) Unchanged.

~~(M)~~(N) Unchanged.

~~(N)~~(O) Unchanged.

~~(O)~~(P) All mechanics who are to work on aircraft at the airport shall be ~~appropriately qualified and certified by the federal aviation administration and shall be~~ registered with the airport manager.

~~(P)~~(Q) Unchanged.

~~(Q)~~(R) Owners of aircraft stored in hangars owned and operated by the university, who employ licensed and qualified mechanics for the express purpose of maintaining their specific aircraft shall maintain in force at all times, liability insurance as specified in the hangar lease to cover the total loss of, or damage to, the entire hangar structure in which their aircraft is normally stored, to include any or all aircraft, equipment, supplies or furnishings normally housed in that hangar, and death of, or injury to, any person or persons who may be in or near the hangar. Evidence of insurance, in the form of a certificate of insurance, shall be furnished to the office of the airport manager. The certificate shall indicate that the policy contains a provision that the airport manager shall be notified in writing thirty days in advance of any change or cancellation of the coverage provided.

It is the aircraft owner's responsibility to see that evidence of insurance coverage is furnished at each subsequent policy renewal or issuance or following a change of aircraft, addition of an aircraft, or any occurrence that affects the coverage involved.

~~The limits of coverage necessary for any given hangar may be adjusted periodically as the value of the aircraft stored in the hangar fluctuates or improvements or alterations to the hangar are made.~~

~~(R)~~(S) Aircraft not covered by insurance as specified in paragraph ~~(Q)~~(R) of this rule shall not be hangared, for purposes of maintenance, in hangars owned or operated by the university except in cases where such maintenance will be performed in a designated area with the approval of the airport manager and under the supervision of university aircraft maintenance personnel.

~~(S)~~(T) Special Only special or emergency maintenance may be performed on airport ramps or aprons, runways or taxiways or adjoining areas ~~only with the approval of the airport manager.~~

**AMENDMENTS TO THE OHIO STATE UNIVERSITY AIRPORT RULES (contd)**

Amended Rules (contd)

~~(T)~~(U) All hangars and offices at the airport shall be secured (closed and locked) at the conclusion of the business day, ~~as defined by the airport manager. Except for arriving or departing flight crews and passengers or approved mechanics performing aircraft maintenance, no person is authorized in any hangar or office after business hours without the approval of the airport manager.~~

~~(U)~~(V) Alcoholic beverages are not permitted on the airport premises, except as cargo or as provision for flight passengers, without the approval of the airport manager.

~~(V)~~(W) In the case of an apparent violation of rules 3335-105-01 to 3335-105-11 of the Administrative Code the airport manager shall have the authority to take whatever action determined ~~by him~~ to be appropriate in order to enforce these rules, including, but not limited to, cancellation of leases, revocation of based aircraft agreement, impounding of ~~aircraft~~, vehicles or other personal property, suspension, or prohibition from the airport, or eviction of any club or member thereof. Except when deemed necessary in the interest of safety or other exceptional circumstances, the airport manager shall take such action after notifying the affected person orally or in writing of a violation of these rules and giving the affected person an opportunity to respond.

~~(W)~~(X) Any action taken by the airport manager in accordance with paragraph ~~(V)~~(W) of this rule may be appealed by the affected person to the ~~chairman~~ chairperson of the department of aerospace engineering and aviation, if appropriate, the dean of the college of engineering, and the office of academic affairs according to procedures adopted by the college of engineering.

~~(X)~~(Y) Unchanged.

~~(Y)~~(Z) Unchanged. (B/T 3/5/82, B/T 2/1/2002)

3335-105-03 Aircraft and flight operations.

(A) Unchanged.

~~(B)~~ All aircraft operated from the airport must be in airworthy condition.

~~(C)~~ It is the responsibility of the aircraft owner to operate and maintain his or her aircraft according to the federal aviation regulations and manufacturers recommendations.

~~(D)~~ All persons operating aircraft based at the airport shall hold at least a valid student pilot certificate, unless special authorization is granted by the airport manager.

~~(E)~~(B) All flight instructors conducting flight instruction ~~conducted~~ from the airport shall be provided by instructors employed by the university unless approval is granted by registered with the office of the airport manager.

~~(F)~~(C) Unchanged.

~~(G)~~(D) Aircraft based at the university airport shall be insured ~~to at least the following minimum levels~~ under a policy of comprehensive or aircraft liability insurance coverage (which must include aviation premises coverage and coverage for indemnification) in an amount:

- (1) ~~Bodily injury liability:~~ For piston engine aircraft, not less than \$1,000,000 per occurrence, and
  - ~~One hundred thousand dollars per person~~
  - ~~Five hundred thousand dollars per occurrence~~

**AMENDMENTS TO THE OHIO STATE UNIVERSITY AIRPORT RULES (contd)**

Amended Rules (contd)

~~Property damage liability:~~

~~Five hundred thousand dollars per occurrence, or~~

- (2) ~~Combined single limit bodily injury and property damage liability: For turbine engine aircraft, not less than \$10,000,000 per occurrence.~~  
~~Seven hundred fifty thousand dollars per occurrence~~

Such insurance policy shall name the University as an additional insured with respect to liability associated with the Hangar Space, and shall be carried with companies licensed to do business in the State of Ohio reasonably satisfactory to the University, and shall be non-cancelable and not subject to material change except after thirty (30) days written notice to the Airport Manager. The insured shall deliver to the Airport Manager duly executed certificates of insurance upon request. The insured shall, upon each subsequent policy renewal or issuance, or following a change of aircraft, addition of an aircraft, or any occurrence that affects the coverage of a based aircraft, furnish to the Airport Manager, Evidence evidence of insurance coverage shall be furnished in the form of a certificate of insurance stating the name of the insured, the aircraft insured, the amounts of coverage provided and any special restrictions or considerations, and this evidence shall be delivered to the office of the airport manager. The certificate shall indicate that the policy contains the provision that the airport manager will be notified in writing thirty days in advance of any change or cancellation of the coverage provided. The Airport shall not at any time be liable for damage or injury to persons or property in or upon the Hangar Space.

~~It is the aircraft owner's responsibility to see that evidence of insurance coverage is furnished at each subsequent policy renewal or issuance, or following a change of aircraft, addition of an aircraft, or any occurrence that affects the coverage of a based aircraft.~~

- ~~(H)~~(E) The pilot in command of any aircraft involved in any incident or accident on the airport shall make a prompt and full report of the incident or accident in accordance with federal aviation regulations and report the incident or accident to the airport manager in such form as he or she may require.
- ~~(I)~~(F) Unchanged.
- ~~(J)~~(G) Only ~~university~~ airport personnel shall move aircraft in or out of hangars (except T-hangars) owned or operated by the university, unless approval has been granted by the airport manager.
- ~~(K)~~(H) Unchanged.
- ~~(L)~~(I) If an aircraft is tied down at the airport, the owners shall:
- (1) Unchanged.
  - (2) Leave a ~~written~~ request at the airport operations office for replacement of ropes that are not considered to be satisfactory for the security of the aircraft.
  - (3) unchanged.
- ~~(M)~~(J) The university, its trustees, officers, employees or agents shall not be responsible for any damage to aircraft tied down on the airport, except where the damage is the result of the negligence of airport personnel.

**AMENDMENTS TO THE OHIO STATE UNIVERSITY AIRPORT RULES (contd)**

Amended Rules (contd)

- (N) ~~Aircraft shall be taxied at a safe, reasonable speed for the existing conditions.~~
- (O) ~~Aircraft without functional brakes shall not be taxied near buildings or parked aircraft unless an attendant is at a wing of the aircraft.~~
- (P)(K) Unchanged.
- (Q) ~~Aircraft operating from the airport shall be equipped with a functioning radio capable of transmitting and receiving on appropriate frequencies used by the FAA ATCT, unless permission is granted by the FAA ATCT.~~
- (R)(L) Unchanged.
- (S) ~~Any flight checks by a federal aviation administration designated flight examiner shall be conducted only with the approval of the airport manager. (B/T 3/5/82, B/T 2/1/2002)~~

3335-105-04 Fuel storage and handling.

- (A) Unchanged.
- (B) ~~Only personnel engaged in fuel handling or in the maintenance and operation of the aircraft being fueled shall be permitted in the immediate vicinity of the aircraft during refueling operations.~~
- (C)(B) Unchanged.
- (D)(C) Fuel products shall not be dispensed into, transferred, or drained from, any aircraft or equipment while in any hangar on the airport, except by personnel authorized by the airport manager.
- (E)(D) Fuel products dispensed at the airport into aircraft shall be delivered by authorized personnel, vehicles, or and equipment only.
- (F)(E) Unchanged. (B/T 3/5/82, B/T 2/1/2002)

3335-105-05 Vehicles.

- (A) through (E) unchanged.
- (F) Vehicles other than airport service vehicles shall ~~not~~ be permitted in hangars owned or operated by the university ~~(except T-hangars per conditions and terms of the lease)~~ in accordance with the airport operating policies and procedures. (B/T 3/5/82, B/T 2/1/2002)

3335-105-06 Safety.

- (A) ~~Based aircraft at the airport shall be subject to inspection by the federal aviation administration at the request of the airport manager at such times as the airport manager determines that an inspection is warranted. The owner shall provide any and all ownership, maintenance and operating records pertaining to the aircraft if requested by the person(s) conducting the inspection. Discrepancies noted on such inspections shall be repaired or corrected by a federal aviation administration certified repair station and/or qualified, certified mechanic within a time period agreed upon by the owner and the airport manager.~~
- (B)(A) Unchanged.

**AMENDMENTS TO THE OHIO STATE UNIVERSITY AIRPORT RULES (contd)**

Amended Rules (contd)

- (C)(B) Except when they are typically a part of aircraft operations, ~~No~~ no explosives, flammable liquids, acid, toxic substances, compressed gas or any radioactive article, or other substance or material as might endanger persons or property, shall be stored, kept, handled, used, dispensed, or transported in or upon the airport without the approval of the airport manager.
- (D)(C) Unchanged.
- (E) ~~No aircraft radar equipment shall be operated or ground tested on a ramp or apron area or any area where the directional beam of high intensity radar is within three hundred feet, or the low intensity beam (less than forty KW output) is within one hundred feet of any person, another aircraft, an aircraft refueling operation, an aircraft refueling truck or aircraft fuel or flammable liquid storage facility.~~
- (F)(D) Unchanged.
- (G)(E) Unchanged.
- (H) ~~When maintenance is performed on any aircraft, two persons shall be present.~~
- (I) ~~All operations may be suspended or restricted on the airport premises by the airport manager whenever such action is deemed necessary in the interest of safety. (B/T 3/5/82, B/T 2/1/2002)~~

3335-105-07 Airport traffic procedures.

- (A) During the hours of operation of the FAA ATCT the airport traffic pattern and movement of aircraft on designated taxiways shall be directed by the FAA ATCT.
- During the hours when the FAA ATCT is not in operation standard traffic patterns procedures shall be followed as outlined in the airman's information manual and federal aviation regulations. Taxi routes to and from runways shall be as ~~shown in "Appendix A."~~ instructed by FAA ATCT.
- (B) Unchanged.
- (C) Helicopter approach and departure corridors shall be in accordance with designated routes, or as shown in "Appendix B." instructed by FAA ATCT (except police or medical emergencies). Information about current procedures concerning helicopter operations shall be available at the airport administration office. (B/T 3/5/82, B/T 2/1/2002)

3335-105-08 Environmental (noise abatement) procedures.

- (A) and (B) unchanged.
- (C) The designated corridors (~~"Appendix B"~~) for helicopter arrival and departure shall be used at all times (except police or medical emergencies). Information about current procedures concerning helicopter operations shall be available at the airport ~~operations desk and the airport manager's administration~~ administration office.
- (D) and (E) unchanged. (B/T 3/5/82, B/T 2/1/2002)

3335-105-09 Operating practices for flying club aircraft and members.

- (A) through (E) unchanged.

**AMENDMENTS TO *THE OHIO STATE UNIVERSITY AIRPORT RULES* (contd)**

Amended Rules (contd)

(F) Prior to operating club aircraft from the airport, a member shall:

~~(1) Be be familiar with the rules of the airport and signify that he or she has read and will abide by these rules, as well as all airport operating policies and procedures, as amended.~~

~~(2) Have a check-out in the type of aircraft to be flown by the member.~~

(G) through (H) unchanged.

(I) The airport may refuse to provide any service to a member of a flying club not listed on the membership roster filed with the airport manager. If any member of a flying club violates rules 3335-105-01 to 3335-105-11 of the Administrative Code, the airport manager shall have the authority to take action against the club or member thereof pursuant to paragraphs ~~(V)~~ (W) and ~~(W)~~ (X) of rule 3335-105-02 of the Administrative Code. (B/T 3/5/82, B/T 2/1/2002)

3335-105-10 Testing and operation of experimental and home-built aircraft.

(A) and (B) unchanged.

(C) Prior to the beginning of flight testing, the owner or pilot of an experimental, or home-built aircraft must present a copy of the airworthiness certificate and any operating limitations issued by the federal aviation administration to the airport manager ~~and~~ or the chief of facilities of the FAA ATCT.

(D) The airport manager shall be notified ~~twenty-four hours~~ in advance of the initial test flight and/or prior to each test flight until five takeoffs and landings to a full stop have been safely completed.

~~(E) All test flights, or until five takeoffs and landings to a full stop have been safely completed, shall be conducted between the hours of seven a.m. and three-thirty p.m., Monday through Friday (except holidays) unless approval is granted by the airport manager.~~

~~(F) The first five takeoffs and landings to a full stop of a test aircraft shall be conducted from runway 27L. (B/T 3/5/82, B/T 2/1/2002)~~

3335-105-11 Approval for aircraft to land and/or takeoff on university property.

The landing or takeoff of all aircraft on property owned or operated by the university shall be approved in advance by the ~~director of university~~ assistant vice president for public safety with the following exceptions:

(A) through (E) unchanged.

Balance unchanged. (B/T 3/5/82, B/T 2/1/2002)

NOW THEREFORE

BE IT RESOLVED, That the foregoing amendments to *The Ohio State University Airport Rules* be adopted by the Board of Trustees.

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**WAIVER OF PARAGRAPH (F) OF BYLAW 3335-1-08  
OF THE ADMINISTRATIVE CODE**

Resolution No. 2002-71

Synopsis: Approval of the following Waiver of Paragraph (F) of Bylaw 3335-1-08 of Administrative Code is proposed.

WHEREAS the Board of Trustees of The Ohio State University, did on January 9, 1976, amend paragraph (F) of bylaw 3335-1-08 of the Administrative Code to state that "buildings and structures shall not be named for any person who is an officer or employee of the University or the State of Ohio, but may be named for a person who has been retired or has otherwise left such a position for a minimum of three years"; and

WHEREAS the President wishes to recommend that the Athletic Facilities Offices in Ohio Stadium be named in honor of J. Michael Dolan, who served as Assistant Athletic Director for Facilities Operations and is retiring from Ohio State University after thirty-three years of service:

NOW THEREFORE

BE IT RESOLVED, That the applicable requirements of paragraph (F) of bylaw 3335-1-08 of the Administrative Code be waived so that the athletic facilities offices located in Ohio Stadium may be named for an officer or employee of the University or the State of Ohio who has not been retired from such position for three years.

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**NAMING OF OFFICES**

Resolution No. 2002-72

Synopsis: Naming of the athletic facilities offices located in Ohio Stadium is proposed.

WHEREAS the athletic facilities of Ohio State University host millions of campus visitors each year; and

WHEREAS J. Michael Dolan has demonstrated unwavering determination and expertise toward making the athletic facilities at Ohio State University second to none; and

WHEREAS he has played a key role in the construction of the Bill Davis Stadium, the Jerome Schottenstein Center, the Woody Hayes Athletic Center, and French Field House; and

WHEREAS his tireless efforts during the three-year renovation of Ohio Stadium resulted in a magnificent restoration of one of Ohio State's treasured campus landmarks; and

WHEREAS after 33 years of outstanding and meritorious work at The Ohio State University, J. Michael Dolan is retiring from his position of assistant athletic director for facilities:

NOW THEREFORE

BE IT RESOLVED, That in accordance with paragraph (F) of rule 3335-1-08 of the Administrative Code, the aforementioned office suite in Ohio Stadium be named the "J. Michael Dolan Athletics Facilities Offices," in his honor.

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## **NAMING OF BUILDINGS**

Resolution No. 2002-73

Synopsis: Naming of the three Alumnae Scholarship Houses currently located at 211 W. 11<sup>th</sup> Avenue, 225 W. 10<sup>th</sup> Avenue, and 231 W. 10<sup>th</sup> Avenue is proposed.

WHEAREAS the Alumnae Scholarship Housing program was initiated at The Ohio State University in 1935 by the Alumnae Council to establish cooperative housing for academically gifted women students with financial need; and

WHEAREAS the first such house was created through the generosity of Mary Pomerene in 1945; and

WHEAREAS the second such house was purchased through the generosity of Mrs. Hanley in 1954; and

WHEAREAS for over 30 years the work of the Alumnae Council was coordinated by Ruth Fechko (B.S. '47) who kept alive the tradition of Alumnae Scholarship housing and managed the daily affairs of the houses:

NOW THEREFORE

BE IT RESOLVED, That in accordance with paragraph (F) of the rule 3335-1-08 of the Administrative Code, the buildings located at: 211 W. 11<sup>th</sup> Avenue be named "Fechko Alumnae Scholarship House," 225 W. 10<sup>th</sup> Avenue be named "Hanley Alumnae Scholarship House," and 231 W. 10<sup>th</sup> Avenue be named "Pomerene Alumnae Scholarship House" in honor of the three women who have been most responsible for the long success of this program at The Ohio State University.

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## **HONORARY DEGREES**

Resolution No. 2002-74

Synopsis: The awarding of honorary degrees is recommended for approval.

WHEREAS the Committee on Honorary Degrees and the University Senate, pursuant to rule 3335-5-488 of the Administrative Code, have approved for recommendation to the Board of Trustees awarding of honorary degrees as listed below:

Charles A. Ballard	Doctor of Public Service
Eva Klein	Doctor of Science
Yuan T. Lee	Doctor of Science
Walter E. Massey	Doctor of Science
F. Sherwood Rowland	Doctor of Science
M. S. Swaminathan	Doctor of Agricultural Science
Marta Tienda	Doctor of Social Science

and

### HONORARY DEGREES (contd)

WHEREAS pursuant to paragraph (B)(4) of rule 3335-1-03 of the Administrative Code, the President, after consultation with the Steering Committee of the University Senate, recommended to the Board of Trustees awarding of an honorary degree as listed below:

George M. Steinbrenner III

Doctor of Business  
Administration

NOW THEREFORE

BE IT RESOLVED, That the above honorary degrees be awarded in accordance with the recommendation at a time convenient to the University and the recipients.

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### PERSONNEL ACTIONS

Resolution No. 2002-75

BE IT RESOLVED, That the personnel actions as recorded in the Personnel Budget Records of the University since the December 6, 2001 meeting of the Board, including the following Appointments/Reappointment, Appointment/Reappointment of Chairpersons, Reappointment of Principal Administrative Official, Professional Improvement Leaves, and Emeritus Titles, as detailed in the University Budget be approved; and

BE IT FURTHER RESOLVED, That the Medical Staff Appointments (The Arthur G. James Cancer Hospital and Richard J. Solove Research Institute) approved January 15, 2002, by The James Cancer Hospital Board, be ratified.

#### Appointments

Name:	MONIKA ARING
Title:	Director
Center:	Education and Training for Employment
Effective:	January 1, 2002
Present Position:	Director, Center for Workforce Development, Education Development Center, Newton, Massachusetts
Name:	E. CHRISTOPHER ELLISON
Title:	Associate Vice President for Health Sciences Clinical Affairs and Vice Dean for Clinical Affairs
Office/College:	Health Sciences/Medicine and Public Health
Effective:	February 1, 2002
Concurrent Appointments:	Chair, Department of Surgery, Associate Dean for Surgical Services, and Professor (The Robert M. Zollinger Chair of Sugery)
Name:	WOLFGANG SADEE
Titles:	Professor (The Dr. Samuel T. and Lois Felts Mercer Professorship of Medicine and Pharmacology) and Director of the Pharmacogenomics Program
Department:	Pharmacology
Term:	April 1, 2002, through March 31, 2006
Present Position:	Professor of Biopharmaceutical Sciences and Pharmaceutical Chemistry, University of California, San Francisco, School of Pharmacy

**PERSONNEL ACTIONS (contd)**

Reappointment

Name: GLENN S. DAEHN  
Title: Professor (The Dr. Mars G. Fontana Professorship in Metallurgical Engineering)  
College: Engineering  
Term: October 1, 2001, through June 30, 2002

Reappointment of Principal Administrative Official

SHERRI M. GELDIN, Executive Director, Wexner Center for the Arts, effective January 1, 2002, through June 30, 2005.

Appointment of Chairpersons

January 1, 2002 through December 31, 2002

Orthopaedics

Christopher C. Kaeding\*

April 1, 2002 through March 31, 2006

Pharmacology

Wolfgang Sadee

October 1, 2002 through June 30, 2006

English

Valerie B. Lee

Reappointment of Chairperson

January 1, 2002 through December 31, 2002

Veterinary Biosciences

Charles C. Capen

\*Interim

Professional Improvement Leave

WILLIAM I. AUSICH, Professor, Department of Geological Sciences, effective Autumn Quarter 2002, Winter Quarter and Spring Quarter 2003.

Professional Improvement Leave – Change in Dates

THOMAS P. KASULIS, Professor, Department of Comparative Studies, change leave from Autumn Quarter 2000, Winter Quarter and Spring Quarter 2001, to Autumn Quarter 2003, Winter Quarter and Spring Quarter 2004.

Emeritus Titles

JOHN C. BURNHAM, Department of History, with the title Professor Emeritus, effective July 1, 2002.

BILLY M. CULBERTSON, College of Dentistry (Restorative/Prosthetic), with the title Professor Emeritus, effective February 1, 2002.

DONALD T. GORDON, Department of Plant Pathology, with the title Professor Emeritus, effective February 1, 2002.

## **PERSONNEL ACTIONS (contd)**

### Emeritus Titles (contd)

JOHN E. HORTON, College of Dentistry (Periodontology), with the title Professor Emeritus, effective February 1, 2002.

LOWELL R. NAULT, Department of Entomology, with the title Professor Emeritus, effective February 1, 2002.

RALF G. RAHWAN, College of Pharmacy, with the title Professor Emeritus, effective February 1, 2002.

CHARLES W. SOLT, College of Dentistry (Periodontology), with the title Professor Emeritus, effective February 1, 2002.

PHILIP A. HEATH, School of Teaching and Learning (Lima Campus), with the title Associate Professor Emeritus, effective February 1, 2002.

E. LINDA FERRIS, Ohio State University Extension, with the title Assistant Professor Emeritus, effective February 1, 2002.

ALMA M. SADDAM, Department of Human Nutrition and Food Management, with the title Assistant Professor Emeritus, effective February 1, 2002.

Medical Staff Appointments (The Arthur G. James Cancer Hospital and Richard J. Solove Research Institute)

### December 2001/January 2002

#### Initial Appointments – Faculty

Arthur P. Bertolino, M.D., Ph.D., Internal Medicine, Dermatology, Professor, Associate Attending  
Nitin Y. Bhatt, M.D., Internal Medicine, Pulmonary and Critical Care, Clinical Instructor, Associate Attending

Sherman A. Katz, M.D., Surgery, Thoracic and Cardiovascular Surgery, Assistant Professor – Clinical, Associate Attending

Richard F. Maier, Jr., D.O., Anesthesiology, Clinical Assistant Professor, Clinical Attending

Robert J. Masone, M.D., Anesthesiology, Clinical Assistant Professor - Clinical Attending

Joel L. Mayerson, M.D., Orthopaedics, Oncology, Assistant Professor, Attending

Yousef M. Mohammad, M.D., Neurology\*, Assistant Clinical Professor, Associate Attending

Namita Sood, M.D., Internal Medicine, Pulmonary, Clinical Assistant Professor, Associate Attending

Thomas M. Yunger, M.D., Internal Medicine, Pulmonary and Critical Care, Clinical Instructor, Associate Attending

\* contingent upon verification of unaccredited fellowship

#### Initial Appointments – Advanced Practice Nurses

Julia Garrett, B.S.N., M.S., C.N.P., Division of Hematology/Oncology

Marcia Starns, P.A., Division of Cardiovascular and Thoracic Surgery

#### Full Appointments – Faculty

Melissa Baujan, M.D., Associate Attending, Radiology

David Cohn, M.D., Attending, Obstetrics and Gynecology

Charles Eisenbeis, M.D., Ph.D., Attending, Internal Medicine, Hematology/Oncology

Magali Fernandez, M.D., Associate Attending, Neurology

**PERSONNEL ACTIONS (contd)**

Medical Staff Appointments (The Arthur G. James Cancer Hospital and Richard J. Solove Research Institute) (contd)

December 2001/January 2002 (contd)

Full Appointments – Faculty (contd)

Jill Foster, M.D., Associate Attending, Ophthalmology  
Jon Gould, M.D., Associate Attending, Surgery  
Thomas Lin, M.D., Ph.D., Attending, Hematology and Oncology

Change in Medical Staff Category

From Associate Attending to Clinical Attending:

Jill Foster, M.D., Ophthalmology  
Bivik Shah, M.D., Plastic Surgery  
Rafael Villalobos, D. O., Plastic Surgery

From Associate Attending to Attending:

Amit Agrawal, M.D., Otolaryngology

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**RESOLUTIONS IN MEMORIAM**

Resolution No. 2002-76

Synopsis: Approval of Resolutions in Memoriam is proposed.

RESOLVED, That the Board adopt the following Resolutions in Memoriam and that the President be requested to convey a copy to the families of the deceased.

Wesley D. Anderson

The Board of Trustees of The Ohio State University expresses its sorrow upon the death on October 2, 2001, of Dr. Wesley D. Anderson, Professor Emeritus in the Department of Veterinary Biosciences.

Dr. Anderson was born in Hibbing, Minnesota. He received a Bachelor of Science degree with distinction in 1949, the Doctor of Veterinary Medicine degree in 1951, and the Ph.D. degree in anatomy in 1969, all from the University of Minnesota.

Professor Anderson served his country during World War II as a member of the Army (1943-1946). He had been an avid private pilot since 1953, frequently enjoying predawn excursions above the clouds to relax before beginning his day at the office.

Professor Anderson was a member of the OSU faculty for 17 years, arriving as professor and chairman of the Department of Veterinary Anatomy (1977-1986), professor of anatomy (1986 until his retirement in 1994), and professor emeritus of veterinary anatomy – a title held until his death. Prior to joining the OSU faculty, Dr. Anderson was professor and head of the Department of Veterinary Anatomy, College of Veterinary Medicine, University of Saskatchewan (1973-1977); assistant and associate professor of anatomy, Department of Anatomy, Medical School, University of Minnesota (1970-1972); assistant professor of anatomy, Departments of Anatomy and Physical Medicine and Rehabilitation, University of Minnesota (1968-1970); visiting assistant professor, Department of Anatomy, College of Veterinary Medicine, Michigan State University

## RESOLUTIONS IN MEMORIAM (contd)

Wesley D. Anderson (contd)

(1967); and instructor, College of Veterinary Medicine, University of Minnesota (1964-1967). Dr. Anderson was a general practitioner in Rosemount, Minnesota (1954-1964).

During his academic career, Professor Anderson received a number of honors, including the Distinguished Teaching Award of the Minnesota Medical Foundation (1972), Professor of the Year in Pre-Clinical Sciences from the Western College of Veterinary Medicine at the University of Saskatchewan (1974), Citation of Merit from the Minnesota Veterinary Medical Alumni Association for services as president (1964-1965), and the Citation of Merit in Research from the A. Stange Company (Chicago, 1954).

Professor Anderson also served as the president of the American Association of Veterinary Anatomists (1983-1984), president of the Canadian Association of Veterinary Anatomists (1976-1977) and executive board member (1976-1978), and vice president of the World Association of Veterinary Anatomists (1979-1983). He was also a longstanding member of the American Association of Veterinary Anatomists, American Association of Anatomists, American Veterinary Medical Association, and the Pan American Association of Anatomists.

Professor Anderson believed in life-long learning and was instrumental in the development of the curriculum and teaching laboratories for study of veterinary histology and gross anatomy at The Ohio State University College of Veterinary Medicine. Dr. Anderson's lifelong dedication to the study of veterinary anatomy is exemplified by his collection of 1,500 illustrations published as the *Atlas of Canine Anatomy*, intended as an illustrated learning resource for students, practitioners, and anatomy educators.

Dr. Anderson's faculty colleagues remember his regular and important scientific contributions to the professional specialties of veterinary anatomy and the study of the microvascular system. His groundbreaking research focused on the morphology of microvascular casting of numerous mammalian species. His studies on the microvasculature of the Black Bear, *Ursus americanus*, provided valuable morphologic insight into vascular structure and function of the heart, brain, and kidneys in a species that has a cardiac rate and body temperature similar to human beings but is capable of entering a dormant state without deleterious effects. During his academic career, Professor Anderson served as major advisor for seven Ph.D. and one master's degree recipients as well as co-advisor of an additional three Ph. D. and seven master's degree recipients.

On behalf of the University community, the Board of Trustees expresses to the family of Professor Wesley D. Anderson its deepest sympathy and sense of understanding of their loss. It was directed that this resolution be inscribed upon the minutes of the Board of Trustees and that a copy be tendered to his family as an expression of the Board's heartfelt sympathy.

J. Osborn Fuller

The Board of Trustees of The Ohio State University expresses its sorrow upon the death on October 26, 2001, of Dr. J. Osborn "Oz" Fuller, Professor Emeritus in the Department of Geological Sciences.

Professor Fuller received his Bachelor of Arts degree (with honors) in geology from Lehigh University in 1934 and his doctorate from Columbia University in 1941. Prior to attaining the doctorate, he taught for two years at Mount Union College and, after receipt of the Ph.D., he served as an instructor in geology at The Ohio State University (1941-1943) and assistant professor at West Virginia University (1943-1944 and 1945-1946). In 1946, he returned to The Ohio State University as an associate professor of geology. In 1948, Dr. Fuller was appointed a professor of geology and from 1951-1967 he served as acting dean, associate dean, and dean of the College of Arts and Sciences, with administrative responsibility for some 31 academic departments.

## **RESOLUTIONS IN MEMORIAM (contd)**

### **J. Osborn Fuller (contd)**

Following dismemberment of the Arts College in 1967, Dr. Fuller accepted the presidency of Fairleigh-Dickinson University in New Jersey, and served in that capacity through 1973, when he resigned and returned to The Ohio State University as special assistant to the president and director of Part-time and Evening Programs. In the 1975-76 academic year, Dr. Fuller was acting dean of the College of the Arts and in 1976 he returned as a professor to the Department of Geological Sciences, where he served in various roles until his retirement in 1983.

Professor Fuller, a dedicated teacher, was involved throughout his career in the development, evaluation, and support of instruction, primarily in programs for students in beginning or elementary courses. On his return to The Ohio State University in 1946, his principal assignment was supervision of elementary course work in geology and he returned to this important work in the seven years of his pre-retirement service to the Department of Geological Sciences. In addition, however, Professor Fuller was also involved academically in the study of Ohio's non-metallic rock and mineral resources; he taught courses in this area and directed the research of numerous advanced students. He was author of four books and 23 articles on geologic subjects.

Although much of his life was devoted to college and university administration, early in his career, Professor Fuller was an active field geologist in the western United States and Newfoundland, and worked as a field assistant and assistant geologist with the U.S. Geological Survey and the Ohio Division of Geological Survey. Prior to undertaking administrative duties, he was also an active consultant in fields involving oil, gas, and industrial minerals. As an administrator, Professor Fuller served in 1959 as president of the Arts College Deans Section, of the Land-Grant College Association and, from 1959-1966 as chairman of the Liberal Arts Deans of the Big Eleven, and an associate of the Committee on Institutional Cooperation (CIC). He was also a member of the Board of Directors, Council of Colleges of Arts and Sciences in State Universities and Land-Grant Colleges; a member of the Fairleigh-Dickinson University Board of Trustees; the New Jersey Arts Council; Board of Directors of the Association of Independent Colleges and Universities; and the National Sea Grant Advisory Panel. From 1983 to the time of his death, Professor Fuller was a trustee of the Wilds International Center for Animal Preservation.

During the several periods of his tenure at The Ohio State University, Professor Fuller was a member of virtually every standing departmental, college, and university committee. Upon his return to Ohio State in 1974, he served on the University Senate and chaired the President's Committee on Admission Policies in the Professional Colleges. In the Department of Geological Sciences, he chaired the Directions for Staffing Committee and the Committee on the Self Study. He was a member Phi Beta Kappa, Sigma Xi, the American Association of Petroleum Geologists, and the National Association of Geology Teachers. He was a fellow of the American Association for the Advancement of Science, the Geological Society of America, and the Ohio Academy of Science.

On behalf of the University community, the Board of Trustees expresses to the family of Professor J. Osborn Fuller its deepest sympathy and sense of understanding of their loss. It was directed that this resolution be inscribed upon the minutes of the Board of Trustees and that a copy be tendered to his family as an expression of the Board's heartfelt sympathy.

Jean D. Hansford

The Board of Trustees of The Ohio State University expresses its sorrow upon the death on January 10, 2002, of Jean D. Hansford, Senior Campus Planner in the Office of Facilities Planning and Development.

Jean Hansford was born in Wilmington, Ohio, on January 27, 1933, and received his Bachelor of Architecture degree from The Ohio State University in 1965. He held a Master of Urban Planning degree from the University of Washington.



## **RESOLUTIONS IN MEMORIAM (contd)**

Jean D. Hansford (contd)

Mr. Hansford began his career with the University in 1967. During his employment he was instrumental in the formulation of policy with respect to master plan issues and the translation of policy to procedures for encouraging adherence to master plan goals. Working with public officials, he wrote code and policy that affected the planning, zoning, land use, traffic circulation, parking, utilities, community improvement and other related concerns of the several University campuses. He also represented the University on city planning task forces and committees, regional planning groups and ad hoc community, city and regional planning committees. His involvement with the University has shaped the campus we know today and will guide future development. He was passionate about the University and the city and they are better places as a result.

During his career, Jean Hansford was active with the Ohio Staters, Campus Campaign Council, Campus Partners, Mid Ohio Regional Planning Commission – Transportation Advisory Committee, University District Task Force, Columbus Comprehensive Plan, Campus Arts and Memorials Committee, People Mover Committee, University Airport Advisory Council, and the University District Organization. Included in his many memberships were the Ohio Staters, the Alumni Association, and the Sphinx Honorary Society.

On behalf of the University community, the Board of Trustees expresses to the family of Jean D. Hansford its deepest sympathy and sense of understanding of their loss. It was directed that this resolution be inscribed upon the minutes of the Board of Trustees and that a copy be tendered to his family as an expression of the Board's heartfelt sympathy.

Patricia M. Meyer

The Board of Trustees of The Ohio State University expresses its sorrow upon the death on October 22, 2001, of Patricia M. Meyer, Professor Emeritus in the Department of Psychology.

Professor Meyer held a Bachelor of Arts degree in psychology from Ohio Wesleyan University and a Master's degree and Doctorate of psychology from The Ohio State University. Professionally associated with the University since 1960, Professor Meyer joined the Psychology faculty as an adjunct professor in 1971, was promoted to full professor in 1976, and retired with Professor Emeritus status in 1985. Her teaching and research helped stimulate the then fledgling field of neuropsychology, focusing on recovery of function damage.

Dr. Meyer's scholarly ability was recognized early by the National Institutes of Mental Health (NIMH) and awarded her pre-doctoral and then post-doctoral research fellowships. In 1967, she was awarded the prestigious Research Career Development Award by the NIMH. Professor Meyer's research on memory after severe brain damage, in close collaboration with her husband, Donald R. Meyer, helped to establish a field of research that has led to combinations of behavioral and pharmacological interventions of value in the management of stroke victims. In addition to publishing innumerable papers in highly-respected outlets, Professor Meyer served a term as editor-in-chief for *Physiological Psychology*, the official journal of the Psychonomic Society.

Professor Meyer served her profession admirably. During her career, she served on several committees for the NIMH, American Psychological Association (APA), and other national organizations. She was a member and fellow of the APA and member of the Society for Neurosciences, the Psychonomic Society, and the Midwestern Psychological Association. In 1999, she was recognized as a distinguished graduate of Chillicothe High School. Of especial note, Professor Meyer was widely admired for the support and encouragement she extended to students.

**RESOLUTIONS IN MEMORIAM (contd)**

Patricia M. Meyer (contd)

On behalf of the University community, the Board of Trustees expresses to the family of Patricia M. Meyer its deepest sympathy and sense of understanding of their loss. It was directed that this resolution be inscribed upon the minutes of the Board of Trustees and that a copy be tendered to her family as an expression of the Board's heartfelt sympathy.

Richard S. Ray

The Board of Trustees of The Ohio State University expresses its sorrow upon the death on November 5, 2001, of Richard S. Ray, Professor Emeritus in the Department of Veterinary Clinical Sciences.

Dr. Ray received his D.V.M. degree from The Ohio State University. He also received his M.S. and Ph.D. degrees from the College of Veterinary Medicine, in the areas of physiology and pharmacology. He was appointed to the faculty and began teaching veterinary physiology and pharmacology in 1955. He was a chemist at heart and loved physiology. Dr. Ray also served Ohio's horse racing industry as director of Pre- and Post-Race Testing Laboratories at The Ohio State University from 1969-1981. He helped establish testing facilities at both Scioto Downs in Columbus and Northfield Park in Cleveland.

Professor Ray served industry and government as a consultant in the areas of forensic pharmacology and toxicology and metabolic diseases. He was a fellow in the American College of Veterinary Pharmacology and Therapeutics, a member of the American Association of Equine Practitioners, American Society of Veterinary Physiologists and Pharmacologists, American Chemical Society, and Association of Drug Detection Laboratories. Dr. Ray was a co-recipient of the 1970 Achievement Award of the Ohio Chapter of the U.S. Harness Writers Association.

Dr. Ray was chairman of the University Committee on Patents and Copyrights from 1972 until his retirement from the University in 1984. He also served on various committees of the Ohio State Racing Commission, National Association of Racing Commissioners, and the American Association of Equine Practitioners.

On behalf of the University community, the Board of Trustees expresses to the family of Dr. Richard S. Ray its deepest sympathy and sense of understanding of their loss. It was directed that this resolution be inscribed upon the minutes of the Board of Trustees and that a copy be tendered to his family as an expression of the Board's heartfelt sympathy.

Fred R. Taylor

The Board of Trustees of The Ohio State University expresses its sorrow upon the death on January 6, 2002, of Fred R. Taylor, Assistant Professor Emeritus in the School of Physical Activity and Educational Services and former men's basketball coach at The Ohio State University. Fred Taylor, a native of Zanesville, Ohio, was born December 3, 1924.

Mr. Taylor played both basketball (1948-50) and baseball (1947-50) at Ohio State. He was an OSU baseball All-American as a first baseman in 1950. After graduating from OSU, Fred Taylor played professional baseball for the Washington Senators for three seasons. After the 1953 season, he quit baseball to become the freshman basketball and baseball coach at The Ohio State University. From 1959-76, he served as the Ohio State head men's basketball coach.

He is the only Ohio State men's basketball coach to win a national championship. His 1960 team defeated California 72-55 on March 19, 1960, to claim Ohio State's NCAA crown. His 1961 and 1962 teams advanced to the national championship game before falling to Cincinnati both years.

## **RESOLUTIONS IN MEMORIAM (contd)**

Fred R. Taylor (contd)

Mr. Taylor was recognized in 1986 for his basketball coaching accomplishments by being elected to the National Basketball Hall of Fame. He is one of eight former Buckeye players and coaches currently in the Hall of Fame. Three other Buckeyes elected to the Hall of Fame--Jerry Lucas (elected as a player in 1979), John Havlicek (player, 1983) and Bob Knight (coach, 1991)--played for Mr. Taylor.

Five of his teams earned NCAA Tournament berths (1960, '61, '62, '68, '71) with four of those advancing to the Final Four (1960, '61, '62, '68). The Buckeyes also made history under Mr. Taylor by winning an unmatched five-consecutive Big Ten titles (1960-64). He also is the only Ohio State coach to lead six teams to 20 or more victories.

Over his 18 seasons as the head coach, Mr. Taylor compiled an OSU record of 297 victories in 455 career games. His teams won seven Big Ten titles, four outright, and compiled a 158-102 record in conference play. His .653 overall and .608 Big Ten winning percentages are the highest among OSU coaches with more than two years of service in Columbus.

Of Ohio State's 14 All-America selections, five played for Mr. Taylor while he was the OSU head coach. He coached All-American's Larry Siegfried (1961), John Havlicek (1962), Jerry Lucas (1962), Gary Bradds (1964), and Allan Hornyak (1973). Both Lucas (No. 11) and Bradds (No. 35) have had their numbers retired by Ohio State. Lucas was a two-time National Player of the Year (1961, '62) and Bradds won the same honor in 1964.

Seventeen of his players earned All-Big Ten honors: three forwards, five guards and nine centers. Six times, one of his players earned Academic All-Big Ten honors, including three-time winner Bill Hosket, who was an Academic All-American in 1968.

His teams won 32-consecutive games over two seasons from March 5, 1960 to March 24, 1961 and 50-consecutive home games from Dec. 1, 1959 to Dec. 2, 1963. Other streaks included 47-consecutive regular season wins, 27-consecutive Big Ten victories and 34-consecutive Big Ten wins at home.

Upon his retirement, he worked as an NBC commentator and in 1979, was an assistant coach on the U.S. basketball team that won the gold medal at the Pan American Games. From 1979-96, he was manager of The Golf Club in New Albany, Ohio.

Mr. Taylor was also an accomplished artist. The night he was hired at Ohio State, he and a few of his friends, painted an "O" in the center of the basketball floor. That the center court has had some kind of "O" ever since shows just how far his legacy extends. The Ohio State University has named a room in its current basketball facility, Schottenstein Center, after Mr. Taylor, and Fyffe Road, west of the building was renamed "Fred Taylor Drive" in his honor.

Over the years, many players have confirmed that their success in life has been directly attributed to Coach Taylor. As Bill Hosket put it, "I think his legacy is honesty and integrity and just examples of what his former players and family members can carry forward. I don't think there is anyone in college basketball who was respected more than Fred Taylor."

On behalf of the University community, the Board of Trustees expresses to the friends and colleagues of Fred R. Taylor its deepest sympathy and sense of understanding of their loss. It was directed that this resolution be inscribed upon the minutes of the Board of Trustees and that a copy be tendered to his family as an expression of the Board's heartfelt sympathy.

Walter G. Venzke

The Board of Trustees of The Ohio State University expresses its sorrow upon the death on September 18, 2001, of Dr. Walter G. Venzke, Professor Emeritus in the Department of Veterinary Biosciences.

## **RESOLUTIONS IN MEMORIAM (contd)**

Walter G. Venzke (contd)

Dr. Venzke was born in White Lake, South Dakota, and graduated from Galva Community High School. He received the Doctor of Veterinary Medicine degree in 1935 from Iowa State University (ISU) (Ames), the Master of Science degree in genetics from the University of Wisconsin (Madison) in 1937, and the Ph.D. degree in anatomy in 1942 from Iowa State University.

He served his country during World War II as a member of the United States Army -- 1<sup>st</sup> lieutenant (1942), captain (1943), major (1943-1946), and was promoted at discharge to lieutenant colonel (1946). Walter Venzke's participation in civic organizations and service clubs included the Columbus Board of Health (1966-1982) where he was President Pro Tem (1969-1970), Sigma Xi, and the American Legion.

Professor Venzke was a member of the OSU faculty for 37 years beginning as an instructor (Zoology) in 1943, followed by successive promotions to assistant professor (1946), associate professor (1948), professor (1951), and chairman (1948) of the Department of Veterinary Medicine; professor and chairman Department of Veterinary Anatomy (1954-1977); assistant dean and secretary of the College of Veterinary Medicine (1960-1977), professor of anatomy (1977 until his retirement in 1980), and professor emeritus of Veterinary Anatomy – a title he held until his death. He served on the College of Veterinary Medicine Admissions Committee continuously from 1958 until 15 years past his official retirement and on the College Centennial Committee (1983-1985). Prior to joining the OSU faculty, Dr. Venzke worked on tuberculosis eradication for the Agricultural Research Services and as an ambulatory clinician; and was an assistant professor of Anatomy, Physiology and Pharmacology at ISU (1937-1942).

During his academic career Professor Venzke received a number of honors including election into Phi Zeta (honorary veterinary medical society) and Gamma Sigma Delta (agricultural honorary society); and was a longstanding member of the Ohio Veterinary Medical Association, American Veterinary Medical Association, American Association of Veterinary Anatomists, World Association of Veterinary Anatomists, Conference of Research Workers in Animal Diseases, and the Ohio Academy of Science. His excellence in teaching was recognized in 1969 by selection for an OSU Distinguished Teaching Award. Professor Venzke received the prestigious Gentle Doctor (Stange) Award for meritorious service in veterinary medicine from his alma mater (ISU) in 1986 and the OSU College of Veterinary Medicine Meritorious Achievement Award in 1982.

Dr. Venzke's faculty colleagues remember his regular and important scientific contributions to the professional specialties of veterinary anatomy and endocrinology. His clinically relevant research focused on morphogenesis of chicken endocrine organs; physiologic changes in the mammalian pineal gland associated with reproduction; differentiation of vaccinal and infection titers *Brucella abortus* in cattle; embryonic development of an anomaly of the ocular fundus in dogs; and effects of estrogenic steroids on blood cells. During the years he served on the OSU faculty, Professor Venzke was the major professor for 10 Ph.D. and four M.Sc. degree recipients as well as a member of the editorial board of the *American Journal of Veterinary Research*.

On behalf of the University community, the Board of Trustees expresses to the family of Professor Walter G. Venzke its deepest sympathy and sense of understanding of their loss. It was directed that this resolution be inscribed upon the minutes of the Board of Trustees and that a copy be tendered to family as an expression of the Board's heartfelt sympathy.

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## **REPORT OF RESEARCH CONTRACTS AND GRANTS**

Resolution No. 2002-77

Synopsis: The reports on research and other sponsored program contracts and grants and the summaries for November and December 2001 are presented for Board acceptance.

**REPORT OF RESEARCH CONTRACTS AND GRANTS (contd)**

WHEREAS monies are solicited and received on behalf of the University from governmental, industrial, and other agencies in support of research, instructional activities, and service; and

WHEREAS such monies are received through The Ohio State University Research Foundation:

NOW THEREFORE

BE IT RESOLVED, That the research agreement between The Ohio State University and The Ohio State University Research Foundation for the contracts and grants reported herein during the months of November and December 2001 be approved.

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**REPORT ON UNIVERSITY DEVELOPMENT**

Resolution No. 2002-78

Synopsis: The report on the receipt of gifts and the summary for December 2001 are presented for Board acceptance.

WHEREAS monies are solicited and received on behalf of the University from alumni, industry, and various individuals in support of research, instructional activities, and service; and

WHEREAS such gifts are received through The Ohio State University Development Fund and The Ohio State University Foundation; and

WHEREAS this report includes the establishment of The Roy and Lois Chope Chair in Engineering, The Sanford G. Price and Isabelle P. Barbee Chair in Teaching, Advising, and Learning, The J. Gilbert Reese Chair in Contract Law, and The Dr. Samuel T. and Lois Felts Mercer Professorship of Medicine and Pharmacology; and

WHEREAS this report includes the establishment of twenty-three (23) new named endowed funds and the amendment of one (1) named endowed fund:

NOW THEREFORE

BE IT RESOLVED, That the acceptance of the report from The Ohio State University Development Fund and The Ohio State University Foundation during the month of December 2001 be approved.

**REPORT ON UNIVERSITY DEVELOPMENT (contd)**

**TOTAL UNIVERSITY PRIVATE SUPPORT**

July through December  
2000 Compared to 2001

GIFT RECEIPTS BY DONOR TYPE

	Dollars July through December		
	<u>2000</u>	<u>2001</u>	<u>%Change</u>
Individuals:			
Alumni (Current Giving)	\$18,783,980	\$21,576,008	15
Alumni (From Bequests)	<u>1,358,380</u>	<u>2,356,490</u>	73
Alumni Total	\$20,142,360	\$23,932,498	19
Non-Alumni (Current Giving)	\$14,358,534	\$9,223,644	(36)
Non-Alumni (From Bequests)	<u>2,975,681</u>	<u>2,548,545</u>	(14)
Non-Alumni Total	\$17,334,215	\$11,772,189	(32)
Individual Total	\$37,476,575	\$35,704,687	(5 <sup>A</sup> )
Corporations/Corp/Foundations	\$20,569,002	\$22,362,755	9 <sup>B</sup>
Private Foundations	\$9,130,451	\$10,545,716	16 <sup>C</sup>
Associations and Other Organizations	<u>\$2,368,639</u>	<u>\$2,520,322</u>	6
Total	\$69,544,667	\$71,133,480	2

NOTES

- A Overall individual giving is down 5% in that gifts at the \$10,000 or more level are down 12% (\$27.4 million from 297 gifts last year compared with \$24.1 million from 289 gifts this year).
- B Corporate giving is up 9% largely due to the fact that gifts of \$10,000 or more were up 10% (336 gifts for \$16.7 million last year; 354 gifts for \$18.4 million this year).
- C Foundation giving at the \$10,000 or more level is up for the first six months of the fiscal year (\$8.5 million from 117 gifts last year; \$10.1 million from 111 gifts this year).

**REPORT ON UNIVERSITY DEVELOPMENT (contd)**

**TOTAL UNIVERSITY PRIVATE SUPPORT (contd)**

July through December  
2000 Compared to 2001

GIFT RECEIPTS BY PURPOSE

		Dollars July through December	
	<u>2000</u>	<u>2001</u>	<u>% Change</u>
Gift Receipts to Current Use and Endowment Funds:			
Buildings/Equipment	\$7,157,618	\$13,332,675	86
Faculty Support	\$5,957,363	\$5,957,030	--
Program Support	\$42,749,282	\$38,526,076	(10)
Student Financial Aid	\$7,463,896	\$7,995,846	7
Annual Funds-Colleges/Departments	\$5,391,987	\$4,647,342	(13)
Annual Funds-University	<u>\$824,521</u>	<u>\$674,511</u>	(18)
Total	\$69,544,667	\$71,133,480	2

**GIFT ADDITIONS TO ENDOWMENT**

		Dollars <u>July through December</u>	
	<u>2000</u>	<u>2001</u>	<u>% Change</u>
	\$17,909,838	\$21,404,758	20%

**REPORT ON UNIVERSITY DEVELOPMENT (contd)**

**THE OHIO STATE UNIVERSITY DEVELOPMENT FUND**

	<u>Previous Gifts</u>	<u>Current Gifts</u>	<u>Total Gifts</u>
<u>Establishment of Named Endowed Chair</u>			
The Roy and Lois Chope Chair in Engineering (Used to fund a chair in the College of Engineering; provided by a gift from the estate of Lois Chope in memory of her husband H. Roy Chope)		\$1,503,555.00	\$1,503,555.00
<u>Establishment of Named Endowed Professorship</u>			
The Dr. Samuel T. and Lois Felts Mercer Professorship of Medicine and Pharmacology (Used to support a professorship in the College of Medicine and Public Health; provided by gifts from Samuel T. Mercer in memory of his wife, Lois Felts Mercer) (Grandfathered)	\$437,038.00		\$437,038.00
<u>Establishment of Named Endowed Funds</u>			
The Willis E. "Bill" Rector Endowed Scholarship Fund in Geological Sciences (Used to provide a scholarship in the Department of Geological Sciences; provided by gifts from Jane Rector, Mr. and Mrs. Andrew Rector, Mr. and Mrs. John G. Gremmells, Mr. Linda Rector, James Wilkes, family, fellow professionals, and friends)		\$35,640.00	\$35,640.00
The Cardiac Rehabilitation P.A.C.E.R. Endowment Fund (Used to provide awards to cardiac rehabilitation patients; provided by gifts in memory of Sandra Rhodes Jacob from other cardiac patients and their family and friends)	\$25,000.00		\$25,000.00
The September 11 Memorial Fund at Fisher College (Used to support student programs; provided by funds allocated from the College's current resources and other gifts directed to the fund)		\$25,000.00	\$25,000.00



**REPORT ON UNIVERSITY DEVELOPMENT (contd)**

THE OHIO STATE UNIVERSITY FOUNDATION

	<u>Previous Gifts</u>	<u>Current Gifts</u>	<u>Total Gifts</u>
<u>Establishment of Named Endowed Chairs</u>			
The Sanford G. Price and Isabelle P. Barbee Chair in Teaching, Advising, and Learning (Used to support a chair in the College of Food, Agricultural, and Environmental Sciences; provided by a gift from William H. Price II in memory of his father Sanford G. Price and his aunt, Isabelle Price Barbee)		\$1,500,000.00	\$1,500,000.00
The J. Gilbert Reese Chair in Contract Law (Used to support a chair in the Moritz College of Law; provided by a gift from J. Gilbert Reese, Newark, Ohio)		\$1,500,000.00	\$1,500,000.00
<u>Establishment of Named Endowed Funds</u>			
The Richard P. and Marie R. Bremer Medical Research Fund (Used to support basic and clinical medical research; provided by gifts from the Bremer Foundation in honor of the late Richard P. and Marie R. Bremer)		\$1,000,000.00	\$1,000,000.00
The Dorothy M. Davis Heart and Lung Research Institute Endowment Fund (Used to support cardiovascular, lung, and related disease research; provided by gifts from The William H. Davis, Dorothy M. Davis and William C. Davis Foundation)		\$500,000.00	\$500,000.00
The Samuel B. Erskine Scholarship Fund (Used to fund scholarships for students in the Moritz College of Law; provided by a gift from Maxine Marquand Erskine)		\$215,745.00	\$215,745.00
The Longaberger Foundation Medical Research Fund (Used to support researchers at the Medical Center; provided by a gift from The Longaberger Foundation)		\$250,000.00	\$250,000.00
The Seth Bonder Fellowship Endowment Fund (Used to provide fellowships for graduate students in the Department of Industrial, Welding and Systems Engineering; provided by a gift from Seth Bonder)		\$250,000.00	\$250,000.00
The Archie Griffin Endowment Fund for Olympic Sports (Used to supplement scholarship costs for student athletes who are members of Olympic varsity sports teams; provided by gifts from The Archie Griffin Scholarship Fund)		\$235,212.00	\$235,212.00

**REPORT ON UNIVERSITY DEVELOPMENT (contd)**

**THE OHIO STATE UNIVERSITY FOUNDATION (contd)**

	<u>Previous Gifts</u>	<u>Current Gifts</u>	<u>Total Gifts</u>
<u>Establishment of Named Endowed Funds (contd)</u>			
The Richard P. and Marie R. Bremer Nursing Endowment Fund (Used to support research, scholarships, fellowships, or other education programs in the College of Nursing; provided by gifts from the Bremer Foundation in honor of the late Richard P. and Marie R. Bremer)		\$100,000.00	\$100,000.00
The Isabel Hatton Simmons Student Leadership and Professionalization Fund (Used to provide assistance to students in the College of Pharmacy for travel to professional meetings and field trips; provided by a gift from Isabel Hatton Simmons)		\$65,689.19	\$65,689.19
Mager Family Scholarship Fund (Used to support scholarships for undergraduates in the College of Engineering; provided by gifts from Richard D. Mager and other members of the Mager family)		\$30,000.00	\$30,000.00
The Chloe McGlinchay Heart and Cancer Research Fund (Used to support research in cancer and heart disease in the College of Medicine and Public Health; provided by a gift from the estate of Chloe McGlinchay)		\$28,968.65	\$28,968.65
The Bruce L. Lipton, M.D. Scholarship Fund in Medicine (Used to provide scholarships for medical students in the College of Medicine and Public Health; provided by gifts in memory of Bruce L. Lipton)		\$28,870.00	\$28,870.00
The Ruth Weimer Mount Fellowship Fund (Used to provide support to a graduate student in the area of student affairs/higher education; provided by gifts from family, friends, and colleagues of Ruth Weimer Mount)		\$28,201.00	\$28,201.00
The Samuel S. and Grace Hook Johnston Memorial Chemical Engineering Scholarship Fund (Used to support undergraduates pursuing bachelor degrees in the Department of Chemical Engineering; provided by a gift from the estate of Grace Hook Johnston, widow of Samuel S. Johnston)		\$28,005.00	\$28,005.00

**REPORT ON UNIVERSITY DEVELOPMENT (contd)**

**THE OHIO STATE UNIVERSITY FOUNDATION (contd)**

	<u>Previous Gifts</u>	<u>Current Gifts</u>	<u>Total Gifts</u>
<u>Establishment of Named Endowed Funds (contd)</u>			
The Ottawa County Alumni Scholarship Fund (Used to provide merit scholarships to graduates of high schools in Ottawa County, Ohio; provided by gifts from members and friends of the Ottawa County Alumni Club)		\$25,500.00	\$25,500.00
The N. L. and Barbara McCaslin Undergraduate Student Organization Support Fund (Used to help support undergraduate student organization activities in the Department of Human and Community Resource Development; provided by gifts from N.L. McCaslin, friends, family, colleagues, and students)		\$25,025.00	\$25,025.00
The Nancy E. Fitzgivens Endowed Scholarship Fund (Used to support an in-state student in the Master of Social Work program; provided by a gift from The Annie E. Casey Foundation)		\$25,000.00	\$25,000.00
Geography Faculty Fellow Fund (Used to support a two-year designation as a Geography Faculty Fellow; provided by gifts from alumni, faculty and friends of the Department of Geography)		\$25,000.00	\$25,000.00
The Richard and Margaret Hines Fund for the Promotion of Gender Equity in the Study of Medicine (Used to provide scholarships to students enrolled in the College of Medicine and Public Health; provided by gifts from an anonymous donor in honor of Richard and Margaret Hines)		\$25,000.00	\$25,000.00
The Dennis A. and Rolene Oliver Nabors, Jr., Athletic Scholarship Fund (Used to provide scholarship costs of a student athlete who is a member of the men's tennis team; provided by gifts from Dennis and Rolene Nabors)		\$25,000.00	\$25,000.00
The Evelyn E. Walter Endowment Fund (Used to provide scholarships for undergraduate and graduate students at The Ohio State University at Marion; provided by a gift from the Evelyn E. Walter Foundation)		\$25,000.00	\$25,000.00

**REPORT ON UNIVERSITY DEVELOPMENT (contd)**

**THE OHIO STATE UNIVERSITY FOUNDATION (contd)**

	<u>Previous Gifts</u>	<u>Current Gifts</u>	<u>Total Gifts</u>
<u>Change in Name of Named Endowed Fund</u>			
From: Richard and Margaret Knowlton Scholarship Fund			
To: Dick and Peggy Knowlton Scholarship Fund			
Total	\$462,038.00	\$7,500,410.70	\$7,962,448.70

**THE OHIO STATE UNIVERSITY DEVELOPMENT FUND**

Establishment of Named Endowed Chair

**The Roy and Lois Chope Chair in Engineering**

The Roy and Lois Chope Chair in Engineering was established February 1, 2002, by the Board of Trustees of The Ohio State University with a gift from the estate of Lois Chope in memory of her husband, H. Roy Chope (B.S.E.E. 1948).

All gifts are to be invested in the University's Permanent Endowment Fund, under the rules and regulations adopted by the Board of Trustees of The Ohio State University, with the right to invest and reinvest as occasion dictates.

The annual income shall be used to fund a chair in the College of Engineering. Selection will be made by the dean of the College of Engineering. Preference will be given to electrical engineering faculty due to Roy Chope's lifelong interest and professional accomplishments in this area. The Roy and Lois Chope Chair will have a term of four years. Faculty chosen for this distinguished position will be eligible for renewed appointment by the dean of the College of Engineering.

It is the desire of the donor that this fund should benefit the University in perpetuity. If the need for this fund should cease to exist or so diminish as to provide unused income, then another use shall be designated by the Board of Trustees in consultation with the appropriate administrative official who is then responsible for engineering education.

\$1,503,555.00

Establishment of Named Endowed Professorship

**The Dr. Samuel T. and Lois Felts Mercer  
Professorship of Medicine and Pharmacology**

The Dr. Samuel T. and Lois Felts Mercer Professorship of Medicine and Pharmacology Fund was established September 1, 1993, by the Board of Trustees of The Ohio State University with gifts from Samuel T. Mercer (M.D. 1929) in memory of his beloved wife, Lois Felts Mercer. The required funding level has been reached and the professorship was established on February 1, 2002.

**REPORT ON UNIVERSITY DEVELOPMENT (contd)**

**THE OHIO STATE UNIVERSITY DEVELOPMENT FUND (contd)**

Establishment of Named Endowed Professorship (contd)

**The Dr. Samuel T. and Lois Felts Mercer  
Professorship of Medicine and Pharmacology (contd)**

All gifts are to be invested in the University's Permanent Endowment Fund, under the rules and regulations adopted by the Board of Trustees of The Ohio State University, with the right to invest and reinvest as occasion dictates.

The annual income shall provide for a professorship of medicine and pharmacology within the College of Medicine and Public Health. Appointment to the professorship will be recommended by the senior vice president for Health Sciences and dean of the College of Medicine and Public Health.

It is the desire of the donor that this fund should benefit the University in perpetuity. If the need for this fund should cease to exist or so diminish as to provide unused income, then another use shall be designated by the Board of Trustees in consultation with the senior vice president for Health Sciences and dean of the College of Medicine and Public Health or program administrative officer in order to carry out the desire of the donor.

\$437,038.00 (Grandfathered)

Establishment of Named Endowed Funds

**The Willis E. "Bill" Rector Endowed Scholarship Fund in Geological Sciences**

The Willis E. "Bill" Rector Endowed Scholarship Fund in Geological Sciences was established February 1, 2002, by the Board of Trustees of The Ohio State University with gifts from Jane Rector (B.S., Occupational Therapy, 1957) of Azle, Texas; Mr. and Mrs. Andrew Rector of Azle, Texas; Mr. and Mrs. John G. Gremmels of Fort Worth, Texas; Ms. Linda Rector (M.S. 1986) of Houston, Texas; James Wilkes of Fort Worth, Texas; and additional family members, fellow professionals, and friends.

All gifts are to be invested in the University's Permanent Endowment Fund, under the rules and regulations adopted by the Board of Trustees of The Ohio State University, with the right to invest and reinvest as occasion dictates.

The annual income shall be used to provide a scholarship in the Department of Geological Sciences for a student exhibiting academic achievement, character, and financial need. The student will be chosen by the chairperson of the Department of Geological Sciences in consultation with the University Committee on Student Financial Aid. Any unused income will be returned to the principal of this fund.

It is the desire of the donors that this fund should benefit the University in perpetuity. If the need for this fund should cease to exist or so diminish as to provide unused income, then another use shall be designated by the Board of Trustees in consultation with the appropriate college dean, department chairperson, or program administrative officer in order to carry out the desire of the donors.

\$35,640.00

## **REPORT ON UNIVERSITY DEVELOPMENT (contd)**

### **THE OHIO STATE UNIVERSITY DEVELOPMENT FUND (contd)**

#### Establishment of Named Endowed Funds (contd)

##### **The Cardiac Rehabilitation P.A.C.E.R. Endowment Fund**

The Cardiac Rehabilitation P.A.C.E.R. Endowment Fund was established February 1, 2002, by the Board of Trustees of The Ohio State University with gifts made in memory of the late Sandra Rhodes Jacob (B.S.Ed. 1967) of Columbus, Ohio; and with contributions from many other cardiac patients and their family and friends, in honor of the commitment shown by the cardiac patients in rehabilitation as well as that of the staff of the Center for Wellness and Prevention for the Cardiac Rehabilitation Program. The fund was initiated and is strongly supported by "The Ten of Hearts" patient group representing individuals who have participated in OSU's Cardiac Rehabilitation Program for ten or more years.

All gifts are to be invested in the University's Permanent Endowment Fund, under the rules and regulations adopted by the Board of Trustees of The Ohio State University, with the right to invest and reinvest as occasion dictates.

The annual income shall be used for the Cardiology Rehabilitation Program in the Center for Wellness and Prevention at The Ohio State University Medical Center for providing awards to cardiac rehabilitation patients. Eligibility for these awards shall be based on a patient's demonstrated commitment to the patient goals of the Cardiac Rehabilitation Program as well as to assist patients who are financially limited to continue benefiting from the program.

If funding permits, the annual income may also be used for other cardiology rehabilitation projects, such as for new equipment, patient education, or for other projects directly benefiting cardiology patients.

The allocation of funds and the selection of the award recipient(s) shall be made by a Cardiac Rehabilitation staff committee whose membership should include members of "The Ten of Hearts" or their staff advisor (the program's medical director); and in consultation with the vice president for Health Services.

It is the desire of the donors that this fund should benefit the University in perpetuity. If the need for this fund should cease to exist or so diminish as to provide unused income, then another use shall be designated by the Board of Trustees in consultation with the medical director of the Cardiac Rehabilitation Program and the vice president for Health Services in order to carry out the desire of the donors.

\$25,000.00

##### **The September 11 Memorial Fund at Fisher College**

The September 11 Memorial Fund at Fisher College was established February 1, 2002, in memory of Kris R. Hughes (B.S.Bus.Adm. 1995), Peter E. Mardikian (B.S.Bus.Adm. 1995), and Mary Alice Wahlstrom (B.S.Bus.Adm. 1945). Should the college learn of other alumni who died because of the tragic events on September 11, 2001, their names will be added to the endowment as well. The endowment will be set up in accordance with the guidelines approved by the Board of Trustees of The Ohio State University with funds being allocated from the college's current resources and other gifts directed to the fund.

All gifts are to be invested in the University's Permanent Endowment Fund, under the rules and regulations adopted by the Board of Trustees of The Ohio State University, with the right to invest and reinvest as occasion dictates.

**REPORT ON UNIVERSITY DEVELOPMENT (contd)**

**THE OHIO STATE UNIVERSITY DEVELOPMENT FUND (contd)**

Establishment of Named Endowed Funds (contd)

**The September 11 Memorial Fund at Fisher College (contd)**

The annual income shall be used by the dean of The Max M. Fisher College of Business to support student programs in accordance with the strategic plans of the college.

It is the desire of the donor that this fund should benefit the University in perpetuity. If the need for this fund should cease to exist or so diminish as to provide unused income, then another use shall be designated by the Board of Trustees as recommended by the dean of the Fisher College of Business and/or appropriate University officials in order to carry out the desire of the donor.

\$25,000.00

**THE OHIO STATE UNIVERSITY FOUNDATION**

Establishment of Named Endowed Chairs

**The Sanford G. Price and Isabelle P. Barbee Chair in Teaching, Advising, and Learning**

The Sanford G. Price and Isabelle P. Barbee Chair in Teaching, Advising, and Learning was established February 1, 2002, by the Board of Directors of The Ohio State University Foundation with a gift to The Ohio State University Foundation from William H. Price II of Cody, Wyoming. The chair is named in memory of his father, Sanford G. Price, (B.S.Agr. 1919), of Woodville, Ohio, and his aunt, Isabelle Price Barbee, (B.S.H.E. 1919), of Woodville, Ohio.

All gifts are to be invested by the Foundation, under the rules and regulations adopted by the Foundation's Board of Directors, with the right to invest and reinvest as occasion dictates.

The annual income shall be used to support the work of the chair holder, a distinguished professor who will focus on improving the quality of teaching and advising throughout the College of Food, Agricultural, and Environmental Sciences through leadership in research, teaching and advising workshops, and collaboration with other faculty involved in these programs. The chair holder will continuously and systematically study the ever-evolving nature of the undergraduate student and their learning preferences. In addition, they will determine best practices for teaching and advising, and this new knowledge will be disseminated to all college and University faculty so that there is constant improvement in learning throughout the organization. The chair holder, in addition, will provide master teacher and advisor workshops for college and University faculty to disseminate these new skills and knowledge throughout The Ohio State University, thereby building a strong team to assist in research on learning, teaching, and advising. The chair shall be appointed by and serve at the pleasure of the vice president for Agricultural Administration and University Outreach, and executive dean for Food, Agricultural, and Environmental Sciences. Fund uses shall include, but not be limited to: research, workshops for university faculty, periodic conference attendance, equipment and new technology, and faculty's innovative approaches for guiding learning.

In the event that this position should remain vacant for more than one year, then the annual income from this fund shall be used for innovative and creative activities that will strengthen and enhance the teaching, advising, and learning activities of faculty in the college to carry out the college mission in an exemplary manner, and/or reinvested in the principal as directed by the vice president for Agricultural Administration and University Outreach, and executive dean for Food, Agricultural, and Environmental Sciences or his designee.

**REPORT ON UNIVERSITY DEVELOPMENT (contd)**

**THE OHIO STATE UNIVERSITY FOUNDATION (contd)**

Establishment of Named Endowed Chairs (contd)

The Sanford G. Price and Isabelle P. Barbee Chair in Teaching, Advising, and Learning (contd)

It is the desire of the donor that this fund should benefit the University in perpetuity. If the need for this fund should cease to exist or so diminish as to provide unused income, then another use shall be designated by the vice president for Agricultural Administration and University Outreach, and executive dean for Food, Agricultural, and Environmental Sciences, in consultation with a member of the William H. Price II family, initially his daughter, Susan P. Hollern, in order to carry out the desire of the donor.

\$1,500,000.00

**The J. Gilbert Reese Chair in Contract Law**

The J. Gilbert Reese Chair in Contract Law in the Moritz College of Law at The Ohio State University was established February 1, 2002 in accordance with the guidelines approved by the Board of Directors of The Ohio State University Foundation with a gift from J. Gilbert Reese, (B.A. Arts & Sciences 1949, J.D. 1952), Newark, Ohio.

This gift is to be held in perpetuity and the assets thereof invested by the Foundation, under its rules and regulations with the right to invest and reinvest as determined by the Foundation.

The objective and understanding of The Ohio State University Foundation (Foundation) and J. Gilbert Reese (Donor) is to enable the Moritz College of Law at The Ohio State University to attract to the College, hire and retain a professor with a national reputation for excellence as a law school professor by using the income from the gift as an addition to University and State of Ohio funds, not in partial substitution therefor, and therefore, the annual income after normal and reasonable expenses of management of the Fund, as prescribed by the endowment distribution policy established by The Ohio State University Board of Trustees will be paid annually to the professor selected to hold the Reese Chair in Contract Law at the Moritz College of Law at The Ohio State University in addition to a full-time full law professor's salary and other perquisites paid from University and State funds. The holder of the Reese Chair in Contract Law shall be initially hired at a salary not less than a sum equal to the income produced by the Fund, plus the average salary and perquisites of those full-time full professors who do not hold professorships or chairs at the time the holder of the Reese Chair is hired. The Donor, or his daughter, Sarah Reese Wallace, as long as either shall be living, shall be advised of the identity and qualifications of candidates for the Chair before hiring of a professor to hold the Chair.

In any year or part thereof during which the Chair is not held by such a professor, the income from the Chair fund shall be added to the principal of the Chair fund. This shall continue until a suitable candidate for the position has been found and retained. The Donor retains the right and privilege, at his or members of his family's discretion, of adding monies to the Reese Chair fund from time to time.

It is the desire of the Donor, his wife and children, that this fund should benefit the Moritz College of Law of the University in perpetuity. If the need for Chairs in the Moritz College of Law should cease to exist or so diminish as to provide unused income, then another use within the Moritz College of Law shall be designated by the Foundation Board as recommended by the Dean of the Moritz College of Law after consultation with the donor, or his daughter, Sarah Reese Wallace, if either of them be living, in order to carry out the desire of the Donor.

\$1,500,000.00



**REPORT ON UNIVERSITY DEVELOPMENT (contd)**

**THE OHIO STATE UNIVERSITY FOUNDATION (contd)**

Establishment of Named Endowed Funds

**The Richard P. and Marie R. Bremer Medical Research Fund**

The Richard P. and Marie R. Bremer Medical Research Fund was established February 1, 2002, in accordance with the guidelines approved by the Board of Directors of The Ohio State University Foundation, with gifts from the Bremer Foundation of Youngstown, Ohio, in honor of the late Richard P. and Marie R. Bremer.

All gifts are to be invested by the Foundation, under the rules and regulations adopted by the Foundation's Board of Directors, with the right to invest and reinvest as occasion dictates.

The annual income shall be used to support medical research, both basic and clinical, with funds allocated in a competitive manner to a physician faculty member of the College of Medicine and Public Health. Applicants for the award(s) shall be reviewed by Henry G. Cramblett, M.D., dean and professor emeritus, and by the associate vice president for Health Sciences Research and vice dean for Research in the College of Medicine and Public Health. Recommendations from this review committee of the award recipient(s) shall be approved by the senior vice president for Health Sciences and dean of the College of Medicine and Public Health. Should Dr. Cramblett no longer be able or willing to serve, a successor may be named by the senior vice president for Health Sciences and dean of the College of Medicine and Public Health.

It is the desire of the donor that this fund should benefit the University in perpetuity. If the need for this fund should cease to exist or so diminish as to provide unused income, then another use shall be designated by the Foundation Board as recommended by the senior vice president for Health Sciences and dean of the College of Medicine and Public Health in consultation with the associate vice president for Health Sciences Research and vice dean for Research in the College of Medicine and Public Health in order to carry out the desire of the donor.

\$1,000,000.00

**The Dorothy M. Davis Heart and Lung Research Institute Endowment Fund**

The Dorothy M. Davis Heart and Lung Research Institute Endowment Fund was established February 1, 2002, in accordance with the guidelines approved by the Board of Directors of The Ohio State University Foundation, with gifts from The William H. Davis, Dorothy M. Davis, and William C. Davis Foundation at the Columbus Foundation of Columbus, Ohio.

All gifts are to be invested by the Foundation, under the rules and regulations adopted by the Foundation's Board of Directors, with the right to invest and reinvest as occasion dictates.

The annual income shall be used to support cardiovascular, lung, and related disease research in The Dorothy M. Davis Heart and Lung Research Institute (DHLRI). Income shall be distributed by the DHLRI director in consultation with the DHLRI executive committee and the senior vice president for Health Sciences and dean of the College of Medicine and Public Health. Programs supported include DHLRI sponsored international research symposia, guest lecture programs, faculty mentor awards, scientific equipment purchases, scientific core facility operation, seed grants for new investigators, and other programs of a scholarly and scientific nature.

It is the desire of the donors that this fund should benefit the University in perpetuity. If the need for this fund should cease to exist or so diminish as to provide unused income, then another use shall be designated by the Foundation Board in consultation with the appropriate college dean, department chairperson, or program administrative officer in order to carry out the desire of the donors.

\$500,000.00

**REPORT ON UNIVERSITY DEVELOPMENT (contd)**

**THE OHIO STATE UNIVERSITY FOUNDATION (contd)**

Establishment of Named Endowed Funds (contd)

**The Samuel B. Erskine Scholarship Fund**

The Samuel B. Erskine (J.D. 1929) Scholarship Fund was established February 1, 2002, in accordance with the guidelines approved by the Board of Directors of The Ohio State University Foundation, with a gift from Maxine Marquand Erskine, Athens, Ohio.

All gifts are to be invested by the Foundation, under the rules and regulations adopted by the Foundation's Board of Directors, with the right to invest and reinvest as occasion dictates.

The annual income shall be used to fund scholarships for law students who demonstrate financial need, preferably from Athens, Ross, or other Appalachian counties in Ohio. Recipients will be selected by the Moritz College of Law with formal approval by the dean of the College in consultation with the University Committee on Student Financial Aid.

It is the desire of the donor that this fund should benefit the University in perpetuity. If the need for this fund should cease to exist or so diminish as to provide unused income, then another use shall be designated by the Foundation Board in consultation with the appropriate college dean, school director, department chairperson, or program administrative officer in order to carry out the desire of the donor.

\$215,745.00

**The Longaberger Foundation Medical Research Fund**

The Longaberger Foundation Medical Research Fund was established February 1, 2002, in accordance with the guidelines approved by the Board of Directors of The Ohio State University Foundation, with a gift in honor of Dr. Manuel Tzagournis (B.S. 1956, M.D., cum laude, 1960, M.S. 1967), former vice president for Health Sciences and dean of the College of Medicine and Public Health, from The Longaberger Foundation of Newark, Ohio.

All gifts are to be invested by the Foundation, under the rules and regulations adopted by the Foundation's Board of Directors, with the right to invest and reinvest as occasion dictates.

The annual income from this fund, and other similar funds under the Manual Tzagournis M.D. Medical Research Endowment Trust, shall be used to support researchers conducting research at the Medical Center, mainly in the Manual Tzagournis Medical Research Facility, with selection made through a grant application process. Researchers may apply for one-year funding grants, which are not limited to senior faculty, through the associate vice president for Health Sciences Research and vice dean for Research in the College of Medicine and Public Health. Selection shall be made by the associate vice president for Health Sciences Research and vice dean for Research in consultation with the senior vice president for Health Sciences and dean of the College of Medicine and Public Health. The grants may be used for, but are not limited to, supplies, equipment, salaries for research personnel, and activities required for quality medical research.

It is the desire of The Longaberger Foundation that this fund should benefit the University in perpetuity. If the need for this fund should cease to exist or so diminish as to provide unused income, then another use shall be designated by the Foundation Board in consultation with the associate vice president for Health Sciences Research and vice dean for Research and the senior vice president for Health Sciences and dean of the College of Medicine and Public Health in order to carry out the desire of The Longaberger Foundation.

\$250,000.00

**REPORT ON UNIVERSITY DEVELOPMENT (contd)**

**THE OHIO STATE UNIVERSITY FOUNDATION (contd)**

Establishment of Named Endowed Funds (contd)

**The Seth Bonder Fellowship Endowment Fund**

The Seth Bonder Fellowship Endowment Fund was established February 1, 2002, in accordance with the guidelines approved by the Board of Directors of The Ohio State University Foundation with a gift from Seth Bonder (Ph.D. 1965).

All gifts are to be invested by the Foundation, under the rules and regulations adopted by the Foundation Board of Directors, with the right to invest and to reinvest as occasion dictates.

The annual income from this fund shall provide one or more fellowships for superior entering (first-year) graduate students who are studying and researching operations research. Each fellowship will be for 12 months (one year) and non-renewable. The fellowships will include fee authorization of payment of all tuition and fees provided by The Ohio State University. The fellows will not be required to serve as teaching assistants or as research assistants.

The chairperson of the Department of Industrial, Welding, and Systems Engineering will be responsible for administering these graduate fellowships, in consultation with Department faculty in the area of applied operations research and in cooperation with the University's Graduate School. The chairperson will use these fellowships to recruit and support excellent first-year students seeking master's or doctoral degrees in the operations research area.

The Seth Bonder Fellows shall have demonstrated an interest in operational process modeling and analysis, and shall have the potential for making significant contributions to the field of applied operations research, preferably in areas such as health, national security, energy, or other non-industrial (non-manufacturing) application areas. Each fellow will be guided by and work with faculty whose research focus is in applied operations research.

It is the desire of the donor that this fund should benefit the University in perpetuity. If the need for this fund should cease to exist or so diminish as to provide unused income, then another student-assisted related use shall be designated by the Foundation Board in consultation with the appropriate college dean, department chairperson, or program administrative officer, in order to carry out the desire of the donor.

\$250,000.00

**The Archie Griffin Endowment Fund for Olympic Sports**

The Archie Griffin Endowment Fund for Olympic Sports was established February 1, 2002, in accordance with the guidelines approved by the Board of Directors of The Ohio State University Foundation, with gifts from The Archie Griffin Scholarship Fund.

All gifts are to be invested by the Foundation, under the rules and regulations adopted by the Foundation's Board of Directors, with the right to invest and reinvest as occasion dictates.

The annual income shall be used to supplement scholarship costs for student athletes who are members of Olympic varsity sports teams pursuing an undergraduate degree at The Ohio State University. Recipients shall be selected by the director of Athletics in consultation with the University Committee on Student Financial Aid.

**REPORT ON UNIVERSITY DEVELOPMENT (contd)**

**THE OHIO STATE UNIVERSITY FOUNDATION (contd)**

Establishment of Named Endowed Funds (contd)

**The Archie Griffin Endowment Fund for Olympic Sports (contd)**

It is the desire of the donor that this fund should benefit the University in perpetuity. If the need for this fund should cease to exist or so diminish as to provide unused income, then another use shall be designated by the Foundation Board as recommended by the director of Athletics in order to carry out the desire of the donor.

\$235,212.00

**The Richard P. and Marie R. Bremer Nursing Endowment Fund**

The Richard P. and Marie R. Bremer Nursing Endowment Fund was established February 1, 2002, in accordance with the guidelines approved by the Board of Directors of The Ohio State University Foundation, with gifts from the Bremer Foundation of Youngstown, Ohio, in honor of the late Richard P. and Marie R. Bremer.

All gifts are to be invested by the Foundation, under the rules and regulations adopted by the Foundation's Board of Directors, with the right to invest and reinvest as occasion dictates.

The annual income shall be used to support research, scholarships, fellowships, or other education programs in Nursing as recommended by the dean of the College of Nursing in consultation with Joan L. McCoy. If used for scholarships, preference shall be given to Youngstown-area residents and selection shall be made in consultation with the University Committee on Student Financial Aid.

It is the desire of the donor that this fund should benefit the University in perpetuity. If the need for this fund should cease to exist or so diminish as to provide unused income, then another use shall be designated by the Foundation Board in consultation with the dean of the College of Nursing in order to carry out the desire of the donor.

\$100,000.00

**The Isabel Hatton Simmons Student Leadership and Professionalization Fund**

The Isabel Hatton Simmons Student Leadership and Professionalization Fund was established February 1, 2002, in accordance with the guidelines approved by the Board of Directors of The Ohio State University Foundation, with a gift from Isabel Hatton Simmons, (B.S. Journalism 1931), of Columbus, Ohio.

All gifts are to be invested by the Foundation, under the rules and regulations adopted by the Foundation's Board of Directors, with the right to invest and reinvest as occasion dictates.

The annual income shall be used to provide assistance for College of Pharmacy students to travel to professional meetings and participate in field trips. The fund shall also provide support for students elected to national leadership of professional organizations and speakers/lecturers/scholars in residence of interest to students.

It is the desire of the donor that this fund should benefit the University in perpetuity. If the need for this fund should cease to exist or so diminish as to provide unused income, then another use shall be designated by the Foundation Board in consultation with the dean of the College of Pharmacy in order to carry out the desire of the donor.

\$65,689.19

**REPORT ON UNIVERSITY DEVELOPMENT (contd)**

**THE OHIO STATE UNIVERSITY FOUNDATION (contd)**

Establishment of Named Endowed Funds (contd)

**Mager Family Scholarship Fund**

The Mager Family Scholarship Fund was established February 1, 2002, in accordance with the guidelines approved by the Board of Directors of The Ohio State University Foundation, with gifts from Richard D. Mager (B.S.I.E. 1972), Western Springs, Illinois, and other members of the Mager family.

Mr. Mager intends to fund the endowment with an initial gift of \$30,000. He reserves the right to make additional gifts to the endowment as he sees fit. All gifts are to be invested by the Foundation, under the rules and regulations adopted by the Foundation's Board of Directors, with the right to invest and reinvest as occasion dictates.

The annual income shall be used to support one or more scholarships for deserving undergraduates who are pursuing a bachelor's degree in engineering. Preference will go to graduates of any Belmont County (Ohio) high school. Recipients will be selected by the dean of the College of Engineering in consultation with the University Committee on Student Financial Aid. All unused income will be added to the principal by the end of each fiscal year.

It is the desire of the donors that this fund should benefit the University in perpetuity. If the need for this fund should cease to exist or so diminish as to provide unused income, then another use shall be designated by the Foundation Board in consultation with the donor or his heirs, and the dean of the College of Engineering in order to carry out the desire of the donors.

\$30,000.00

**The Chloe McGlinchay Heart and Cancer Research Fund**

The Chloe McGlinchay Heart and Cancer Research Fund was established February 1, 2002, in accordance with the guidelines approved by the Board of Directors of The Ohio State University Foundation, with a gift from the estate of Chloe McGlinchay (B.S.Ed. 1921, M.S. 1922) of Columbus, Ohio.

All gifts are to be invested by the Foundation, under the rules and regulations adopted by the Foundation's Board of Directors, with the right to invest and reinvest as occasion dictates.

The annual income shall be used to support basic and clinical research in areas of cancer and heart disease in the College of Medicine and Public Health, in The Arthur G. James Cancer Hospital and Richard J. Solove Research Institute, and in the Comprehensive Cancer Center as allocated and approved by the senior vice president for Health Sciences and dean of the College of Medicine and Public Health.

It is the desire of the donor that this fund should benefit the University in perpetuity. If the need for this fund should cease to exist or so diminish as to provide unused income, then another use shall be designated by the Foundation Board in consultation with the senior vice president for Health Sciences and dean of the College of Medicine and Public Health in order to carry out the desire of the donor.

\$28,968.65

**REPORT ON UNIVERSITY DEVELOPMENT (contd)**

**THE OHIO STATE UNIVERSITY FOUNDATION (contd)**

Establishment of Named Endowed Funds (contd)

**The Bruce L. Lipton, M.D. Scholarship Fund in Medicine**

The Bruce L. Lipton, M.D. Scholarship Fund in Medicine was established February 1, 2002, in accordance with the guidelines approved by the Board of Directors of The Ohio State University Foundation, with gifts in memory of Bruce L. Lipton, M.D. (B.S. 1958, M.D. 1962) of Liberty Township, Ohio.

Dr. Lipton's career and life were marked by his pursuit of excellence in medicine, his commitment to his family and to the Mahoning Valley area, and his loyalty to his alma mater, The Ohio State University. This fund was initiated by The Ohio State University Alumni Club of Mahoning County and supported by the family, classmates, colleagues, and friends of Dr. Lipton.

All gifts are to be invested by the Foundation, under the rules and regulations adopted by the Foundation's Board of Directors, with the right to invest and reinvest as occasion dictates.

The annual income shall provide one or more scholarships to first-year medical students, and may be extended to second-year students, who are enrolled in the College of Medicine and Public Health and are from Trumbull, Mahoning, or Columbiana Counties in Ohio. The selection of the recipient(s) shall be based on academic merit and financial need, and shall be approved by the senior vice president for Health Sciences and dean of the College of Medicine and Public Health upon consultation with an ad hoc committee comprised of one representative each from the OSU Alumni Club of Mahoning County, the family of Bruce L. Lipton, M.D., and the College of Medicine and Public Health Committee for Scholarship Awards. This committee shall be chaired by the president of the aforementioned alumni club and shall consult with the University Committee on Student Financial Aid and with the College of Medicine and Public Health Committee for Scholarship Awards. Any unused income shall be returned to principal for reinvestment.

It is the desire of the donors that this fund should benefit the University in perpetuity. If the need for this fund should cease to exist or so diminish as to provide unused income, then another use shall be designated by the Foundation Board in consultation with the senior vice president for Health Sciences and dean of the College of Medicine and Public Health and the ad hoc committee in order to carry out the desire of the donors.

\$28,870.00

**The Ruth Weimer Mount Fellowship Fund**

The Ruth Weimer Mount Fellowship Fund was established February 1, 2002, in accordance with the guidelines approved by the Board of Directors of The Ohio State University Foundation, with gifts from family, friends, and colleagues of Ruth Weimer Mount. The gifts were made specifically to recognize her role as "First Lady" of University College from 1970 to 1983 and her longstanding commitment to the people and programs of University College.

All gifts are to be invested by the Foundation, under the rules and regulations adopted by the Foundation's Board of Directors, with the right to invest and reinvest as occasion dictates.

The annual income shall provide support to a graduate student in the area of student affairs/higher education, who shall be known as the Ruth Weimer Mount Fellow and who shall be annually selected from the leading students enrolled in the doctoral program. The recipient shall already have a Student Personnel Assistantship. The income from the fellowship shall be used to support additional professional development. Selection of the fellow shall be made by the dean

**REPORT ON UNIVERSITY DEVELOPMENT (contd)**

**THE OHIO STATE UNIVERSITY FOUNDATION (contd)**

Establishment of Named Endowed Funds (contd)

**The Ruth Weimer Mount Fellowship Fund (contd)**

of the College of Education in consultation with the faculty in student affairs/higher education who are responsible for the Student Personnel Assistantship Program and in consultation with the University Committee on Student Financial Aid.

It is the desire of the donors that this fund should benefit the University in perpetuity. If the need for this fund should cease to exist or so diminish as to provide unused income, then another use shall be designated by the Foundation Board in consultation with the dean of the College of Education in order to carry out the desire of the donors.

\$28,201.00

**The Samuel S. and Grace Hook Johnston Memorial  
Chemical Engineering Scholarship Fund**

The Samuel S. and Grace Hook Johnston Memorial Chemical Engineering Scholarship Fund was established February 1, 2002, in accordance with the guidelines approved by the Board of Directors of The Ohio State University Foundation, with a gift from the estate of Grace Hook Johnston, widow of Samuel S. Johnston (B.Ch.E. 1932), of Steubenville, Ohio.

All gifts are to be invested by the Foundation, under the rules and regulations adopted by the Foundation's Board of Directors, with the right to invest and reinvest as occasion dictates.

The annual income shall be used to support academically and financially deserving undergraduates who are pursuing bachelor degrees in chemical engineering. Selection will be made by the chairperson of the Department of Chemical Engineering in consultation with the University Committee on Student Financial Aid.

It is the desire of the donor that this fund should benefit the University in perpetuity. If the need for this fund should cease to exist or so diminish as to provide unused income, then another use shall be designated by the Foundation Board in consultation with the Department of Chemical Engineering and dean of the College of Engineering in order to carry out the desire of the donor.

\$28,005.00

**The Ottawa County Alumni Scholarship Fund**

The Ottawa County Alumni Scholarship Fund was established February 1, 2002, in accordance with the guidelines approved by the Board of Directors of The Ohio State University Foundation, with gifts from members and friends of the Ottawa County Alumni Club.

All gifts are to be invested by the Foundation, under the rules and regulations adopted by the Foundation's Board of Directors, with the right to invest and reinvest as occasion dictates.

The annual income shall be used to provide merit scholarships to graduates of high schools in Ottawa County, Ohio. The potential recipients will be recruited, interviewed, ranked by the Ottawa County Alumni Club, and recommended to the Office of Student Financial Aid. The scholarships will be awarded in consultation with the University Committee on Student Financial Aid. Any unused income will be reinvested to the principal.

**REPORT ON UNIVERSITY DEVELOPMENT (contd)**

**THE OHIO STATE UNIVERSITY FOUNDATION (contd)**

Establishment of Named Endowed Funds (contd)

**The Ottawa County Alumni Scholarship Fund (contd)**

It is the desire of the donors that this fund should benefit the University in perpetuity. If the need for this fund should cease to exist or so diminish as to provide unused income, then another use shall be designated by the Foundation Board in consultation with the vice president for University Development, and the director of Financial Aid in order to carry out the desire of the donors.

\$25,500.00

**The N. L. and Barbara McCaslin Undergraduate Student Organization Support Fund**

The N. L. and Barbara McCaslin Undergraduate Student Organization Support Fund was established February 1, 2002, in accordance with the guidelines approved by the Board of Directors of The Ohio State University Foundation, with gifts from N. L. McCaslin, former chair and professor emeritus in the Department of Human and Community Resource Development, of Columbus; and friends, family, colleagues, and students.

All gifts are to be invested by the Foundation, under the rules and regulations adopted by the Foundation's Board of Directors, with the right to invest and reinvest as occasion dictates.

The annual income shall be under the direction of the Department chair and used to help support undergraduate student organization activities in the Department of Human and Community Resource Development. These activities are to be used for organizational purposes, not individual member purposes. All student organization dues paying members are eligible for participation. Appropriate uses of the funds include travel to student conferences, participation in professional development activities, and support of student organization projects. Other uses of the fund should be approved by the chairperson in consultation with the Undergraduate Studies Committee. The chairperson and the Undergraduate Studies Committee will also oversee the use of the funds.

It is the desire of the donors that this fund should benefit the University in perpetuity. If the need for this fund should cease to exist or so diminish as to provide unused income, then another use shall be designated by the Foundation Board in consultation with the vice president for Agricultural Administration and University Outreach, and executive dean for Food, Agricultural, and Environmental Sciences, in consultation with the chairperson of the Department of Human and Community Resource Development, or their successor, in order to carry out the desire of the donors.

\$25,025.00

**The Nancy E. Fitzgivens Endowed Scholarship Fund**

The Nancy E. Fitzgivens Endowed Scholarship Fund was established February 1, 2002, by the Board of Directors of The Ohio State University Foundation with a gift from The Annie E. Casey Foundation, Baltimore, Maryland.

All gifts are to be invested in the Foundation, under the rules and regulations adopted by the Foundation's Board of Directors, with the right to invest and reinvest as occasion dictates.



**REPORT ON UNIVERSITY DEVELOPMENT (contd)**

**THE OHIO STATE UNIVERSITY FOUNDATION (contd)**

Establishment of Named Endowed Funds (contd)

**The Nancy E. Fitzgivens Endowed Scholarship Fund (contd)**

The annual income shall be used to support an in-state student of the master of social work program, with preference given to a candidate who has been working in the public child welfare system of Ohio. The scholarship will be awarded in consultation with the University Committee on Student Financial Aid.

It is the desire of the donor that this fund should benefit the University in perpetuity. If the need for this fund should cease to exist or so diminish as to provide unused income, then another use shall be determined by the Foundation Board in consultation with the dean of the College of Social Work in order to carry out the desire of the donor.

\$25,000.00

**Geography Faculty Fellow Fund**

The Geography Faculty Fellow Fund was established February 1, 2002, in accordance with the guidelines approved by the Board of Directors of The Ohio State University Foundation, with gifts from alumni, faculty, and friends of the Department of Geography.

All gifts are to be invested by the Foundation, under the rules and regulations adopted by the Foundation's Board of Directors, with the right to invest and reinvest as occasion dictates.

The annual income shall be used to support a two-year designation as a Geography Faculty Fellow. These proceeds are to enhance the scholarship of the fellow, but not to augment that person's salary. The department chairperson will appoint a faculty committee to solicit and review proposals from current tenure eligible members of the geography faculty at The Ohio State University. The selection of fellow(s) will be made by the department chairperson. It is anticipated that most awards will go to assistant and associate professors, that successive designations would not be made, and that expiration of a faculty fellow's term need not be immediately followed by a new appointment. The guiding consideration in the choice of fellows will be the extent to which the designation would make a significant difference in the professional development of the fellow.

At some time in the future, there may be sufficient faculty fellow endowment funds so that this fund can be converted into a named chair or professorship either by itself or in combination with other similar funds.

It is the desire of the donors that this fund should benefit the University in perpetuity. If the need for this fund should cease to exist or so diminish as to provide unused income, then another use shall be designated by the Foundation Board in consultation with the appropriate college dean, department chairperson, or program administrative officer in order to carry out the desire of the donors.

\$25,000.00

**The Richard and Margaret Hines Fund  
for the Promotion of Gender Equity in the Study of Medicine**

The Richard and Margaret Hines Fund for the Promotion of Gender Equity in the Study of Medicine was established February 1, 2002, in accordance with the guidelines approved by the Board of Directors of The Ohio State University Foundation, with gifts from an anonymous donor in honor of Richard and Margaret Hines.

**REPORT ON UNIVERSITY DEVELOPMENT (contd)**

**THE OHIO STATE UNIVERSITY FOUNDATION (contd)**

Establishment of Named Endowed Funds (contd)

**The Richard and Margaret Hines Fund  
for the Promotion of Gender Equity in the Study of Medicine (contd)**

All gifts are to be invested by the Foundation, under the rules and regulations adopted by the Foundation's Board of Directors, with the right to invest and reinvest as occasion dictates.

The annual income shall be used to provide one or more scholarships to students enrolled in the College of Medicine and Public Health. The purpose of the fund is to enhance the educational opportunities for first-year graduate students in anatomy or biomedical engineering or for first-year medical students; and to directly promote gender equity to the extent consistent with applicable law. The selection of the recipient(s) shall be made at the recommendation of the senior vice president for Health Sciences and dean of the College of Medicine and Public Health in consultation with the College of Medicine and Public Health Committee for Scholarship Awards and with the University Committee on Student Financial Aid.

It is the desire of the donor that this fund should benefit the University in perpetuity. If the need for this fund should cease to exist or so diminish as to provide unused income, then another use shall be designated by the Foundation Board in consultation with the senior vice president for Health Sciences and dean of the College of Medicine and Public Health in order to carry out the desire of the donor.

\$25,000.00

**The Dennis A. and Rolene Oliver Nabors, Jr., Athletic Scholarship Fund**

The Dennis A. and Rolene Oliver Nabors, Jr., Athletic Scholarship Fund was established February 1, 2002, in accordance with the guidelines approved by the Board of Directors of The Ohio State University Foundation, with gifts from Dennis (D.D.S. cum laude 1961) and Rolene (B.S., Physical Therapy, 1958) Nabors, Jr., of Cincinnati, Ohio.

All gifts are to be invested by the Foundation, under the rules and regulations adopted by the Foundation's Board of Directors, with the right to invest and reinvest as occasion dictates.

The annual income shall be used to provide scholarship costs of a student athlete who is a member of the men's tennis team pursuing an undergraduate degree at The Ohio State University. The recipient must maintain a 3.0 GPA. The director of Athletics, in consultation with the head tennis coach, the Student Athlete Support Services Offices, and the University Committee on Student Financial Aid, shall select the recipient.

It is the desire of the donors that this fund should benefit the University in perpetuity. If the need for this fund should cease to exist or so diminish as to provide unused income, then another use shall be designated by the Foundation Board as recommended by the director of Athletics in order to carry out the desire of the donors.

\$25,000.00

**The Evelyn E. Walter Endowment Fund**

The Evelyn E. Walter Endowment Fund was established February 1, 2002, in accordance with the guidelines approved by the Board of Directors of The Ohio State University Foundation, with a gift from the Evelyn E. Walter Foundation of Marion, Ohio.

**REPORT ON UNIVERSITY DEVELOPMENT (contd)**

**THE OHIO STATE UNIVERSITY FOUNDATION (contd)**

Establishment of Named Endowed Funds (contd)

**The Evelyn E. Walter Endowment Fund (contd)**

All gifts are to be invested by the Foundation, under the rules and regulations adopted by the Foundation's Board of Directors, with the right to invest and reinvest as occasion dictates.

The annual income shall be used to provide scholarships for undergraduate and graduate students at The Ohio State University at Marion. Preference shall be given to second-year and non-traditional students who have demonstrated need due to unique life circumstances, and who may need an additional source of financial aid. If additional criteria are necessary for the scholarship selection process, secondary preference shall be given to undergraduate students with a permanent address in Marion County, Ohio. The scholarship will be awarded in consultation with the University Committee on Student Financial Aid.

It is the desire of the donor that this fund should benefit The Ohio State University at Marion in perpetuity. If the need for this fund should cease to exist or so diminish as to provide unused income, then another use shall be designated by the Foundation Board as recommended by the dean and director of The Ohio State University at Marion, in consultation with the Ohio State Marion Scholarship Committee in order to carry out the desire of the donor.

\$25,000.00

Change in Name and Description of Named Endowed Fund

**Dick and Peggy Knowlton Scholarship Fund**

The Richard and Margaret Knowlton Scholarship Fund was established February 5, 1999, in accordance with the guidelines approved by the Board of Directors of The Ohio State University Foundation, with gifts designated for support of the Office of Student Financial Aid, from Mr. and Mrs. Dick Knowlton, Bellefontaine, Ohio, and Hilton Head, South Carolina. The name and description were revised on February 1, 2002.

All gifts are to be invested by the Foundation, under the rules and regulations adopted by the Foundation's Board of Directors, with the right to invest and reinvest as occasion dictates.

The annual income shall be distributed to the Office of Student Financial Aid to be used to fund one or more scholarships for worthy undergraduates on any Ohio State University campus with financial need from Logan and Clark Counties, Ohio. The scholarship(s) will be awarded in consultation with the University Committee on Student Financial Aid. Scholarship(s) are renewable upon satisfactory progress toward a degree.

It is the desire of the donors that this fund should benefit the University in perpetuity. If the need for this fund should cease to exist or so diminish as to provide unused income, then another use shall be designated by the Foundation Board in consultation with the director of the Office of Student Financial Aid in order to carry out the desire of the donors.

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**EMPLOYMENT OF ARCHITECTS/ENGINEERS,  
REQUEST FOR CONSTRUCTION BIDS, AND  
REPORT OF AWARD OF CONTRACTS**

Resolution No. 2002-79

WEXNER CENTER – BUILDING RENOVATIONS  
UNIVERSITY AIRPORT  
PIKETON – TRAINING AND DEVELOPMENT CENTER  
WISEMAN HALL – EXPAND ULAR FACILITIES  
UTILITIES – NORTH TUNNEL STEAMLINE UPGRADE  
PROGRAM IN MATHEMATICAL BIOSCIENCE  
MANSFIELD CAMPUS – ROADWAY AND PARKING LOT RESURFACE  
RIVERWATCH TOWER – SUITES B AND C  
VIVIAN HALL – ROOMS 1-218

Synopsis: Authorization to employ architect/engineering firms for the University Airport, Piketon – Training and Development Center, Wiseman Hall – Expand ULAR Facilities, Program in Mathematical Bioscience, and Mansfield Campus – Roadway & Parking Lot Resurfacing projects, request construction bids for the Wexner Center – Building Renovations, Wiseman Hall – Expand ULAR Facilities, Utilities – North Tunnel Steamline Upgrade, Program in Mathematical Bioscience, Mansfield Campus – Roadway and Parking Lot Resurfacing, and Riverwatch Tower – Suites B and C projects, and acceptance of the report of award of contracts for the Vivian Hall – Rooms 1-218 projects is requested.

WHEREAS the University desires to renovate and rebuild the Wexner Center for the Arts to correct building envelope and system problems, improve public circulation, and enhance security; and

WHEREAS the total estimated project cost is \$10,000,000 and the total estimated construction cost is \$7,000,000, with funding provided by University funds (\$9,000,000) and House Bill 640 (\$1,000,000); and

WHEREAS the University desires to construct a 15 bay aircraft T-hangar, a 12 bay aircraft T-hangar with attached aircraft wash bay and restrooms, an aircraft community hangar with office suites, and an airport maintenance building at Don Scott Field; and

WHEREAS the total estimated project cost is \$7,861,178 in 2004 dollars and the total estimated construction cost is \$6,425,863 in 2004 dollars, with funding provided by University bond proceeds with debt service paid by the College of Engineering; and

WHEREAS the University desires to construct a new training and development center at the OARDC Piketon facilities to provide technology training and a business incubator center; and

WHEREAS the total estimated project cost is \$3,090,000 and the total estimated construction cost is \$2,540,973, with funding provided by an Economic Development Administration grant (\$1,920,000), Appalachian Regional Commission grant (\$270,000), and future capital appropriation (\$900,000);

WHEREAS the University desires to upgrade the first floor conference room, renovate the two surgery locker rooms and add a fourth surgery room in Wiseman Hall to expand facilities for the University Lab Animal Resources; and

WHEREAS the total estimated project cost is \$1,771,420 in 2003 dollars and the total estimated construction cost is \$596,160 in 2003 dollars, with funding provided by National Institute of Health grant (\$885,710), College of Medicine (\$442,855), and Office of Research (\$442,855); and

WHEREAS the University desires to upgrade the north tunnel steamline from McCracken/Neil junction to the north #1 tunnel to meet future demands within that area; and

**EMPLOYMENT OF ARCHITECTS/ENGINEERS,  
REQUEST FOR CONSTRUCTION BIDS, AND  
REPORT OF AWARD OF CONTRACTS (contd)**

WHEREAS the total estimated project cost is \$1,400,000 and the total estimated construction cost is \$1,190,000, with funding provided by House Bill 640 (\$750,000), House Bill 748 (\$386,550), House Bill 790 (\$11,450) and House Bill 850 (\$252,000); and

WHEREAS the University desires to renovate space in the Mathematics Building and Cockins Hall to house a program in mathematical bioscience; and

WHEREAS the total estimated project cost is \$570,346 and the total estimated construction cost is \$317,571, with funding provided by a Board of Regents grant (\$100,000) and College of Mathematics and Physical Sciences (\$470,346); and

WHEREAS the Mansfield Campus desires to resurface a portion of the main entrance roadway and heavily used parking lots; and

WHEREAS the total estimated project cost is \$370,575 and the total estimated construction cost is \$305,000, with funding provided by House Bill 640 (\$160,000), and House Bill 748 (\$53,300), and North Central Technical College (\$157,275); and

WHEREAS the University desires renovate office space for the University Treasurer's staff located on the ground floor of Riverwatch Tower; and

WHEREAS the total estimated project cost is \$326,612 and the total estimated construction cost is \$270,953, with funding provided by the Office of Business and Finance:

WHEREAS a resolution adopted by the Board of Trustees on June 1, 2001 authorized the President and/or Vice President for Business and Finance to request construction bids in accordance with established University procedures, and if satisfactory bids were received to award contracts for the following projects:

Vivian Hall – Rooms 1 – 218

This project removes partitions and lab benches and installs electrical outlets and lights in various areas within Vivian Hall to temporarily house a portion of the Knowlton School of Architecture. The total project cost is \$305,000; funding is provided by Central University funds (\$152,500) and future University bond proceeds (\$152,500) with debt service paid by gifts to the Knowlton School of Architecture. The estimated completion date is February 2002. The contracts awarded are as follows:

Design:	Phillip Markwood, Columbus, Ohio
General Contract:	Childers Corporation, Columbus, Ohio
Amount:	\$271,474
Estimate:	\$261,000
Total All Contracts:	\$271,474
Contingency Allowance:	\$10,025
Total Project Cost:	\$305,000

**NOW THEREFORE**

BE IT RESOLVED, That the President and/or Senior Vice President for Business and Finance be authorized to select qualified architectural/engineering firms as necessary for the University Airport, Piketon – Training and Development Center, Wiseman Hall – Expand ULAR Facilities, Program in Mathematical Bioscience, and Mansfield Campus – Roadway & Parking Lot Resurfacing projects and that the fees for these services be negotiated between the firms selected and the University; and

**EMPLOYMENT OF ARCHITECTS/ENGINEERS,  
REQUEST FOR CONSTRUCTION BIDS, AND  
REPORT OF AWARD OF CONTRACTS (contd)**

BE IT FURTHER RESOLVED, That, subject to the execution of a memorandum of understanding among all the offices involved, the President and/or Senior Vice President for Business and Finance be authorized to request construction bids for the Wiseman Hall – Expand ULAR Facilities project in accordance with established University and State of Ohio procedures, and if satisfactory bids are received, to issue contracts with all actions to be reported to this Board at the appropriate time; and

BE IT FURTHER RESOLVED, That the President and/or Senior Vice President for Business and Finance be authorized to request construction bids for the Wexner Center – Building Renovations, Utilities – North Tunnel Steamline Upgrade, Program in Mathematical Bioscience, Mansfield Campus – Roadway & Parking Lot Resurfacing, and Riverwatch Tower – Suites B and C projects in accordance with established University and State of Ohio procedures, and if satisfactory bids are received, to issue contracts with all actions to be reported to this Board at the appropriate time; and

BE IT FURTHER RESOLVED, That pursuant to the actions previously authorized by the Board, the report of award of contracts and establishment of contingency funds for the Vivian Hall – Rooms 1 - 218 projects is hereby accepted.

(See Appendix XXIII for background information and maps, page 809.)

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**PURCHASE OF REAL PROPERTY**

Resolution No. 2002-80

**CAMPUS VIEW VILLAGE APARTMENTS  
929 SHARON VALLEY ROAD, NEWARK, OHIO**

Synopsis: Authorization to purchase improved real property located at 929 Sharon Valley Road, Newark, Ohio, owned by Campus View Village, is proposed.

WHEREAS the Board of Trustees of The Ohio State University is presented with an opportunity to purchase improved real property located at 929 Sharon Valley Road, Newark, Ohio, owned by Campus View Village, an Ohio non-profit corporation, which intends to transfer the property to Newark Campus Development Fund, also an Ohio non-profit corporation; and

Whereas the property has an appraised value of approximately \$2,937,500, and the seller has offered to sell the property at that price; and

WHEREAS the acquisition of this property is critical for the development of student housing at the Newark Regional Campus, and the appropriate University offices have determined that the purchase of this property is in the best interest of the University; and

WHEREAS funding for this purchase will be provided by Student Affairs:

NOW THEREFORE

BE IT RESOLVED, That the President and/or Senior Vice President for Business and Finance be authorized, in the name of the State of Ohio for the use of The Ohio State University, to purchase from Newark Campus Development Fund the property located at 929 Sharon Valley Road, Newark, Ohio at purchase price of \$2,937,500.00, plus closing costs, upon such terms and

**PURCHASE OF REAL PROPERTY (contd)**

conditions as are deemed to be in the best interest of the University, subject to the University receiving the necessary approvals from the Ohio Board of Regents and the State Controlling Board.

(See Appendix XXIV for background information and map, page 827.)

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**ACCEPTANCE OF THE REPORT OF AUDIT FOR 2000-2001**

Resolution No. 2002-81

Synopsis: The report of the audit of the financial statements for The Ohio State University for 2000-01 conducted by Deloitte & Touche is recommended for acceptance.

WHEREAS, with the approval of the Auditor of State, The Ohio State University entered into a five-year agreement with Deloitte & Touche in February 1996 for an annual audit of the University for fiscal years 1995-96 through 1999-2000; and extended that contract to cover fiscal year 2000-01 to provide continuity for the audit during the first year of implementation of the University's new financial accounting system; and

WHEREAS the Deloitte & Touche audit of the University for 2000-01, meeting the requirements of the Auditor of State, has been received and the accounts, records, files, and reports of the University have been found to be in satisfactory condition, and certain internal control recommendations have been discussed with the Fiscal Affairs Committee; and

WHEREAS the auditors' internal control recommendations are being reviewed by the appropriate University offices, and appropriate procedures and responses are being developed as a result of these recommendations:

NOW THEREFORE

BE IT RESOLVED, That the report of the Deloitte & Touche audit for The Ohio State University for 2000-01, including the report on the audit of the University's financial statements and the summary of significant internal control recommendations to management, be accepted.

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**CAMPUS PARTNERS  
RELEASE OF REMAINING FUNDING**

Resolution No. 2002-82

Synopsis: Release of remaining funding of \$1,600,000 for Campus Partners' initiatives from the previously identified \$25 million set-aside is recommended.

WHEREAS in February and November 1995 the Board of Trustees recognized the critical need for revitalization of the High Street and residential areas adjacent to the Columbus Campus and the importance of the initiatives of Campus Partners for Community Urban Redevelopment, Inc., in this effort and identified \$25 million in Endowment funds that could be made available for real estate and related investments in support of the Campus Partners revitalization efforts; and

WHEREAS in May 1997, July 2000, August 2000, and December 2001, the Board of Trustees authorized, subject to a memorandum of understanding of May 1, 1997, the release of up to \$23.4 million of the \$25 million identified for investment in the University Gateway Center and other real estate investments; and

**CAMPUS PARTNERS  
RELEASE OF REMAINING FUNDING (contd)**

WHEREAS Campus Partners is nearing completion of the acquisition of the Gateway Redevelopment Area, as well as completion of related environmental remediation, demolition, and relocation of businesses associated with building in the area; and

WHEREAS there is a need for use of the remaining \$1.6 million of the \$25 million set-aside to complete these efforts:

NOW THEREFORE

BE IT RESOLVED, That the Board of Trustees hereby authorizes further investment in Campus Partners through the release of the remaining \$1,600,000 of the previously identified \$25 million in Endowment funds for Campus Partners' use of these funds and any remaining previously released funds for purchase of additional real estate for the University Gateway Center and to carry out remaining activities associated with Campus Partners' real estate investments; and

BE IT FURTHER RESOLVED, That this authorization and release of funds shall be subject to whatever further provisions amending the memorandum of understanding of May 1, 1997, as the Oversight Committee shall determine appropriate.

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**BUDGET VERSUS ACTUAL REPORT**

Resolution No. 2002-83

Fiscal Year 2000-01

Synopsis: The budget versus actual report for FY 2000-01 is submitted for approval.

WHEREAS the FY 2000-01 audit of the University's income and expenditures is now complete; and

WHEREAS the current funds budget for FY 2001 has been compared with the audited income and expenditures for FY 2001 and any significant variances explained:

NOW THEREFORE

BE IT RESOLVED, That the budget versus actual report for FY 2001 be approved.

(See Appendix XXV for background information, page 829.)

Upon motion of Ms. Longaberger, seconded by Mr. Sofia, the Board of Trustees adopted the foregoing resolutions by unanimous roll call vote, cast by Messrs. Brennan, Patterson, Sofia, Slane, and McFerson, and Mses. Longaberger and Davidson.

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Thereupon the Board adjourned to meet Friday, March 1, 2002, at The Ohio State University Longaberger Alumni House, Columbus, Ohio.

Attest:

William J. Napier  
Secretary

David L. Brennan  
Chairman



Analysis and Recommendations  
Regarding Funding Strategies  
OSU Columbus Campus

The Ohio State University Board of Trustees  
February 1, 2002

Office of Academic Affairs  
Office of Business and Finance  
January 31, 2002

- I. What are the broader goals for Ohio State?
- II. What does the University recommend and why?
- III. What are the implications and what happens next?

## **I. What are our strategic objectives and why?**

To be successful in the 21<sup>st</sup> century, Ohio needs a strong system of education, including a top tier comprehensive teaching and research institution.

Such an institution is critical because it:

1. Provides an opportunity for talented high school graduates in Ohio to learn and grow in a research environment that gives them a competitive edge in the knowledge economy.
2. Attracts talented faculty and students to Ohio from all over the world.
3. Serves as a catalyst to grow the State's economy, which provides more jobs and better jobs for all of Ohio's citizens.
4. Serves as a focal point for a variety of activities that improve the quality of life for all Ohioans.

## **What needs to be done?**

Comparisons with the best public universities show that OSU does a very good job; but needs to do a better job for its undergraduates in the following areas:

- Retention of top faculty and support staff.
- Increased direct involvement for undergraduate students with regular faculty.
- Better access to high demand courses.
- Improved academic and career counseling.
- Wider availability of state of the art learning technology.
- More learning and service experiences outside the classroom.
- A more supportive physical environment.

## Why resources matter

Comparisons with other top public universities as part of the academic planning process also show that while resources alone do not guarantee success, a measurable lack of resources has limited Ohio State's ability to meet the needs of its students.

- Top institutions in other states receive roughly 20% more in revenue per student FTE than OSU's Columbus campus.
- Relatively low state support and low undergraduate tuition alone account for a gap of more than \$900 annually per undergraduate student FTE.
- This disparity is likely to grow if strong action is not taken.
- All other alternatives, such as cuts and reallocations, have been exhausted.

## A competitive disadvantage v. comparable universities

Historically low levels of state support and resident undergraduate tuition have placed OSU at a competitive disadvantage in addressing the needs of our students.

Category	Total Tuition and State Support/FTE	Difference (OSU v. category)
OSU Columbus Campus	\$14,319	-0-
Benchmark Mean	15,289	(\$970)
Benchmark Median	14,818	(499)
Big Ten Public Mean	15,682	(1,363)
Big Ten Public Median	15,121	(802)
Average		(\$909)

$$\$909 \times 30,000 \text{ undergraduate FTE} = \$27,000,000$$

*...and the situation is getting worse as state support declines::*

	Year	Nominal Amount
State support (State Share of Instruction) ... per student FTE OSU Columbus Campus:	FY 2001	\$7,285
	FY 2002	\$6,907
	FY 2003	\$6,887

Decline in state support from FY 2001 to FY 2003:  $\$7,285 - \$6,887 = \$398^1$

$\$398 \times 30,000$  FTE undergraduate students = \$12 million

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<sup>1</sup> Figures not adjusted for inflation. If a 3% annual inflation adjustment is used, the reduction is \$842 per student, or a decline of \$25 million in purchasing power.

**OSU also faces a competitive disadvantage with other Ohio schools.**

Even though a formula distributes state aid uniformly based on level of instruction, undergraduate tuition at OSU's Columbus campus is \$1,253 less than the average of Ohio's other selective admission public universities (\$1,253 x 30,000 undergraduate FTE = \$37.6M).

Institution	Current Tuition <sup>2</sup>
Miami	\$6,916
Cincinnati	6,172
Kent State	5,874
Bowling Green	5,748
Ohio University	5,493
Average	\$6,041

<b>Ohio State</b>	<b>\$4,788</b>
Difference	\$1,253

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<sup>2</sup> Includes mid-year increase already announced.



*Lower resources mean less support in critical areas*

Educational and general expenditures per student FTE, OSU v. benchmark average (FY 1997-1999):

Student Services (e.g., service learning, career counseling, etc.)	- 9%
Scholarships and Fellowships	- 31%
Physical Plant (e.g., plant, operation and maintenance)	- 36%
Academic Support (e.g., instructional technology)	- 39%
Research	- 47%
All Expenses	- 19.5%

*Ohio State has exhausted all other options*

- A. In Spring 2001, OSU made a strategic decision to hold back on faculty and staff pay raises in FY 2002 in order to protect student and instructional programs.
- B. In Spring 2001, OSU informed enrolled students that resident undergraduate tuition would likely increase at 9% a year for the next 4-5 years until OSU is in third or fourth place among state institutions.
- C. In FY 2002, state support fell below student tuition income for the first time in the University's 131-year history.
- D. In order to protect its students from unanticipated additional tuition increases, OSU did not do a tuition increase in Winter or Spring Quarters, despite a mid-year reduction in state support.
- E. OSU has restructured its budget process to provide greater incentives to colleges and support units to increase revenues and reduce costs, consistent with the goals of the Academic Plan.
- F. OSU has tried to maximize other funding sources, including:

Private giving (up 17% in CY 2001)

Sponsored research (up 18% in CY 2001)

Charges to non-General Fund units for central support services (e.g., Athletics) (\$28M)

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***...and OSU will continue to implement significant cost reductions:***

- Funding for central initiatives will be reduced 10% for FY 2003
- Support units will reduce or reallocate from 3.5% to 7% of their budgets for FY 2003
- Colleges will reduce or reallocate from 2.5% to 5% of their budgets for FY 2003
- Additional targeted cost reduction initiatives include:
  - \* Healthcare benefit costs (co-pays increased in FY 2002)
  - \* Purchasing practices review of key commodities
  - \* Energy savings through competitive bidding/conservation
  - \* University-wide computer systems review to reduce redundancies

**The University faces a \$73 million General Fund problem  
in FY 2003**

Amount of increased resources needed to meet academic goals:

Compensation (including benefits)	\$30-34M
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Scholarships and Financial Aid	11-12M
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All Other (includes Selective Investment, enhanced recruiting, legal mandates, etc.)	<u>8-11 M</u>
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Total	\$49-57M
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Mid-point	\$ 53M
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Plus amount need to absorb state FY 2002 budget cuts to General Fund (including Success Challenge)	<u>\$ 20M</u>
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Total Need	\$ 73M
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## **\$60 million has been identified already**

Even after \$20 million in cuts to unit budgets, \$16 million in additional reallocations and other revenues and previously planned tuition increases of \$24 million, a \$13 million need remains:

Budget Cuts		\$20M
Additional Reallocations and Other Revenues		\$16M
Previously Planned Tuition Increases		\$24M
Undergraduates 9%	(\$13.8M)	
Graduate & Professional		
General and Non-resident		
surcharge 5%	(\$10.2M)	
	Total	\$60M
Amount Still Needed		<u>\$13M</u>
Solution		\$73M

## What Options Were Considered?

### Assumptions:

- \$13 million target
- Base fee increase = 9%
- Differential for new v. current students

	Increase to Students	New Annual Tuition	FY 03 Additional Revenues above 9% Base (in millions)
Option A			
All Students	9%	\$5,217	0
New Students	+1,575	6,792	<u>13</u>
			13
Option B			
All Students	12%	5,358	5
New Students	+999	6,357	<u>8</u>
			13
Option C			
All Students	9%	5,217	0
New Students	+1,200	6,417	<u>11</u>
			11

## **II. What does the University recommend and why?**

The University Administration is guided by the following principles in recommending a tuition strategy, consistent with the Academic Plan:

1. We need to maintain our commitment to enhancing academic quality (even during the current recession), as this is critical to our students, Ohio's longer-term economic vitality and competitiveness.
2. We need to continue to do all we can internally to reduce costs and program new and existing resources to offset the state budget reductions and address competitive compensation needs.
3. Our tuition policy should be as fair as possible to current undergraduate students, placing a greater responsibility on incoming students.
4. Financial aid must increase so that students who meet academic requirements but qualify for financial aid will still be able to attend OSU.
5. A high priority for use of the increased resources will be to preserve and improve the quality of the student experience both inside and outside the classroom.

## **Recommendations**

For all undergraduates (new and continuing) there would be a 9% increase in instructional and general fees beginning Summer Quarter 2002. This will amount to a \$429 increase from \$4,788 to \$5,217 for full-time undergraduates over a three quarter (academic year) period.

For new students, there would be an additional \$400 per quarter (\$1,200 per three quarter academic year) increase in the instructional fee above the 9% beginning Summer Quarter 2002.

New students means any undergraduates starting at Ohio State (Columbus or Regional Campus) Summer Quarter 2002 or later. Continuing students means any undergraduates starting at Ohio State (Columbus or Regional Campus) prior to Summer Quarter 2002.

Current students would be grandfathered (exempted) from the new higher rates for four years (through FY 2006).

These recommendations apply to Columbus Campus only.

Recommendations for regional campuses will be determined after they have had a chance to consult with their advisory boards.

Increase student financial aid funds to assure that students who are otherwise qualified will be afforded access.

These recommendations are based on levels of state support in HB 405. If those levels change, recommendations may have to be modified.

An additional \$2 million will be identified through a combination of additional spending reductions, reallocations and income increases.

These recommendations mean that planned and additional undergraduate tuition increases will contribute no more than \$29 million to the FY 2003 solution of a \$73 million problem.



## **OSU will remain affordable**

Ohio State will remain affordable compared to other public universities, even if those universities increase FY 2003 tuition by a smaller percentage amount.

For example, if other Ohio universities increase tuition by 6%, OSU will rank:

8<sup>th</sup> out of 13 on tuition for current students, and  
4<sup>th</sup> out of 13 for new students

If other Big Ten universities raise tuition by the amount already announced and by 10% for those who have not yet announced, OSU will rank:

7<sup>th</sup> out of 10 for current students, and  
5<sup>th</sup> out of 10 for new students.

If other Benchmark universities raise tuition by 10%, or the amount already announced, OSU will rank:

5<sup>th</sup> out of 10 for current students, and  
4<sup>th</sup> out of 10 for new students.

Compared to other Ohio universities, tuition for current students at Ohio State will remain about average.

Possible Fall 2002 Tuition  
OSU v. Other Ohio Publics

Current Students Only

University	FY 2002 Tuition	FY 2003 Assumed Tuition
Miami	\$6,916	\$7,331
University of Cincinnati	6,172	6,542
Kent State	5,874	6,226
Bowling Green	5,748	6,093
Ohio University*	5,493	6,000
Akron	5,177	5,488
Toledo	5,102	5,408
<b>Ohio State</b>	<b>4,788</b>	<b>5,217</b>
Cleveland State	4,732	5,016
Wright State	4,596	4,872
Youngstown State	4,204	4,456
Central State	3,723	3,946
Shawnee State	3,402	3,606
Average	5,071	\$5,400

*Note: Projection for illustrative purposes only, except where respective schools have already announced a figure for FY 2003 as indicated by an asterisk. Assumes a 9% increase for OSU and a 6% increase for all other Ohio universities. Actual increase will be determined by those institutions and may vary.*

Tuition for new students will likely be in the middle of the first quartile for new students at other Ohio publics, even if the percentage increase at other schools is less.

Possible Fall 2002 Tuition  
OSU v. Other Ohio Publics

New Students

University	FY Assumed Tuition
Miami	\$7,331
Ohio University*	6,564
University of Cincinnati	6,542
<b>Ohio State</b>	<b>6,417</b>
Kent State	6,226
Bowling Green	6,093
Akron	5,488
Toledo	5,408
Cleveland State	5,016
Wright State	4,872
Youngstown State	4,456
Central State	3,946
Shawnee State	3,606
Average	\$5,535

*NOTE: Projected tuition is for illustrative purposes only. Assumes a 9% + \$1,200 increase for OSU and a 6% increase for all other Ohio universities unless accompanied by an asterisk, which indicates announced increase for FY 2003. Actual increases will be determined by each institution and may vary.*

Tuition for new students will remain in the middle of the Big Ten public universities, even if the percentage increase for other schools is less.

## Possible Fall Tuition OSU v. Big Ten

### New Students Only

University	FY 2003 Assumed Tuition
Penn State*	\$8,165
Michigan*	7,854
Illinois*	6,504
Michigan State*	6,438
<b>Ohio State</b>	<b>6,417</b>
Minnesota	6,090
Purdue*	5,621
Indiana	5,207
Wisconsin	4,495
Iowa*	4,190
Average	6,098

*Note: The figures for FY 2003 are projections by OSU and do not reflect projections or decisions by the other respective universities, except where indicated with an asterisk (\*). The asterisk indicates that a decision has already been publicly announced. Tuition for all other universities is assumed to increase at 10%, except Ohio State where a 9% + \$1,200 increase is shown. Actual increases may vary.*

### **III. Implications**

- A. Progress on academic goals will be maintained, but at a slower pace. The phased in nature of the higher tuition on new students will provide a steady stream of \$6-7 million in additional funds net of financial aid annually to help support the Academic Plan over the next 5 years.
- B. Access for academically qualified students will be maintained
- C. Students will benefit directly
- D. OSU will remain a unique combination of excellence and affordability.
- E. Next steps

***Continued access for students will be maintained  
regardless of their financial resources***

- University funds for student financial aid will be increased for current students.
- The increase in tuition for current students will be less than for new students.
- Financial aid will also be increased for new students.

### *How students will benefit*

Ohio State will continue to make progress in better serving its students and the citizens of Ohio.

Impact of reductions in state support will be softened:

- Retention of current outstanding faculty and staff will be more successful, keeping class size down and quality and course availability up.
- Core student services such as student financial aid processing, course registration, disability services and public safety will be preserved.

Other improvements will continue, although at a slower pace:

- Smaller classes.
- Improved access to courses (fewer closeouts).
- Better access to state of the art technology.
- Improved academic counseling.
- More high quality learning experiences outside the classroom.

## **What Happens Next**

1. Board approval needed by March 1, 2002 so we can inform next year's continuing and new students know what to expect before they make enrollment decisions for next Fall.
2. All other fees and charges will be determined later this Spring as part of the regular budget process.
3. Distribution of funds will be determined as part of the FY 2003 budget process (late Spring/early Summer).
4. These numbers are based on current information and are subject to change in the event of an unpleasant surprise(s).



## Summary

1. A principled commitment to continue to improve the University's academic standing is critical to our students' future and the future of Ohio.
2. This commitment must be pursued despite historically weak state support and weakness in the state's economy.
3. The University has taken significant steps to achieve cost efficiencies and to increase revenue from other sources.
4. Nevertheless, a significant increase is needed in tuition for the 2002 – 2003 academic year in order to preserve progress already made and to make additional progress.
5. The strategy recommended will limit the burden on current students.
6. Financial aid funds will be increased for all students (including new students) so students who are otherwise qualified will not be denied admission for financial reasons.
7. Even after the proposed increases, the University's tuition still will not exceed the mid-point of Big Ten public universities or the middle of the upper quartile of Ohio public universities.
8. The additional funds will be used to preserve gains already made by providing market level compensation to faculty and staff and to continue to make improvements in student life both inside and outside the classroom, which is critical to the success of the Academic Plan.
9. The Ohio State University will continue to be a great investment for our students and for the people of Ohio.

## (APPENDIX XXIII)

**Wexner Center - Building Renovations****315-2000-914****PROJECT CAPTAIN:**

Scott Conlon, Facilities Planning &amp; Development - Architecture, 292-0983

**REQUESTING AGENCY:**

Wexner Center for the Arts

**PROJECT LOCATION:**

0386-WEXNER CENTER FOR THE ARTS

**AGE:**

1989

**GR. SQ. FT.:**

130,349

**PROJECT DESCRIPTION:**

Renovation and retrofit of the Wexner Center for the Arts to correct building envelope and system problems, improve public circulation, and enhance security.

**MILESTONES:**

	Projected	Revised	Actual
Arch/Eng Approved B/T	8/30/2000		2/2/2001
Constr Mgr Approved B/T	4/6/2001		4/6/2001
Bidding Approved B/T	9/1/2001	2/1/2002	
Arch/Engr Contract	1/12/2001	6/23/2001	6/26/2001
Schematic Design Approval	5/4/2001	1/15/2002	
Design Development Approval	9/21/2001	4/1/2002	
Construction Document Approval	3/8/2002	6/15/2002	
Bid Opening	4/10/2002	8/15/2002	
Award of Contracts	5/24/2002	9/15/2002	
Construction Start	5/25/2002	9/30/2002	
Report of Award to B/T	6/1/2002	9/30/2002	
Completion	11/29/2003	9/1/2003	

**FUNDING INFORMATION:**

Centrally Funded Capital Projects	\$	-	\$	9,000,000
HB640 Basic Renovations		1,000,000		1,000,000
Total	\$	1,000,000	\$	10,000,000

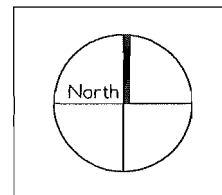
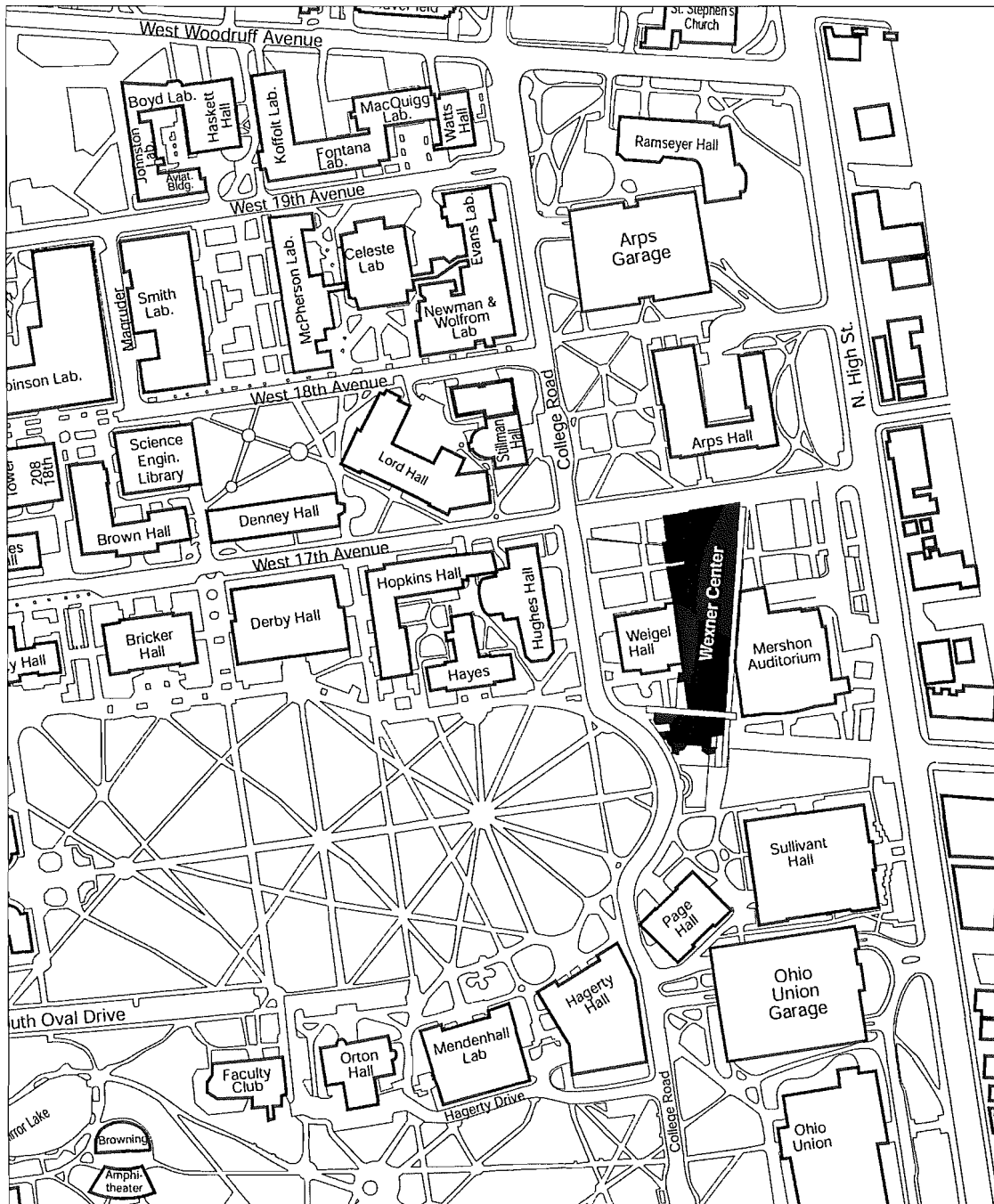
**USES:**

Constr. Mgr.	\$	-	\$	420,000
Construction				7,000,000
Contingency		200,000		876,000
Design		800,000		895,000
Relocation				515,000
Testing				210,000
Univ. Administration				84,000
Total	\$	1,000,000	\$	10,000,000

**COMMENTS:**

Initial project budget of \$1 million was to provide the feasibility, preliminary design, and cost estimate for the project. Project cost has been identified as \$10 million.

## Wexner Center - Building Renovations



Office of Business and Finance  
Office of Facilities Planning and Development

December 9, 2000

**University Airport****315-2001-927****PROJECT CAPTAIN:**

Craig C. Henry, Facilities Planning &amp; Development - Architecture, 292-2156

**REQUESTING AGENCY:**

College of Engineering

**PROJECT LOCATION:**

V0002-Various Locations-Franklin County

**AGE:****GR. SQ. FT.:****PROJECT DESCRIPTION:**

The retention of an engineer to develop plans and specifications for a 15 bay aircraft T-hangar, a 12 bay aircraft T-hangar with attached aircraft wash bay and restrooms, an aircraft community hangar with attached office suites, and an airport maintenance storage building. Also included is the demolition of an existing aircraft T-hangar and associated site resurfacing.

**MILESTONES:**

	Projected	Revised	Actual
Arch/Eng Approved B/T	2/1/2002		
Bidding Approved B/T	4/4/2003		
Arch/Engr Contract	4/30/2002		
Schematic Design Approval	9/30/2002		
Design Development Approval	1/31/2003		
Construction Document Approval	5/30/2003		
Bid Opening	7/15/2003		
Award of Contracts	9/8/2003		
Construction Start	9/15/2003		
Report of Award to B/T	10/3/2003		
Completion	8/31/2004		

**FUNDING INFORMATION:**

Future Univ. Bond Issues	\$	7,861,178	
Total	\$	7,861,178	

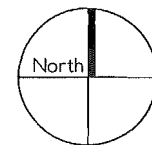
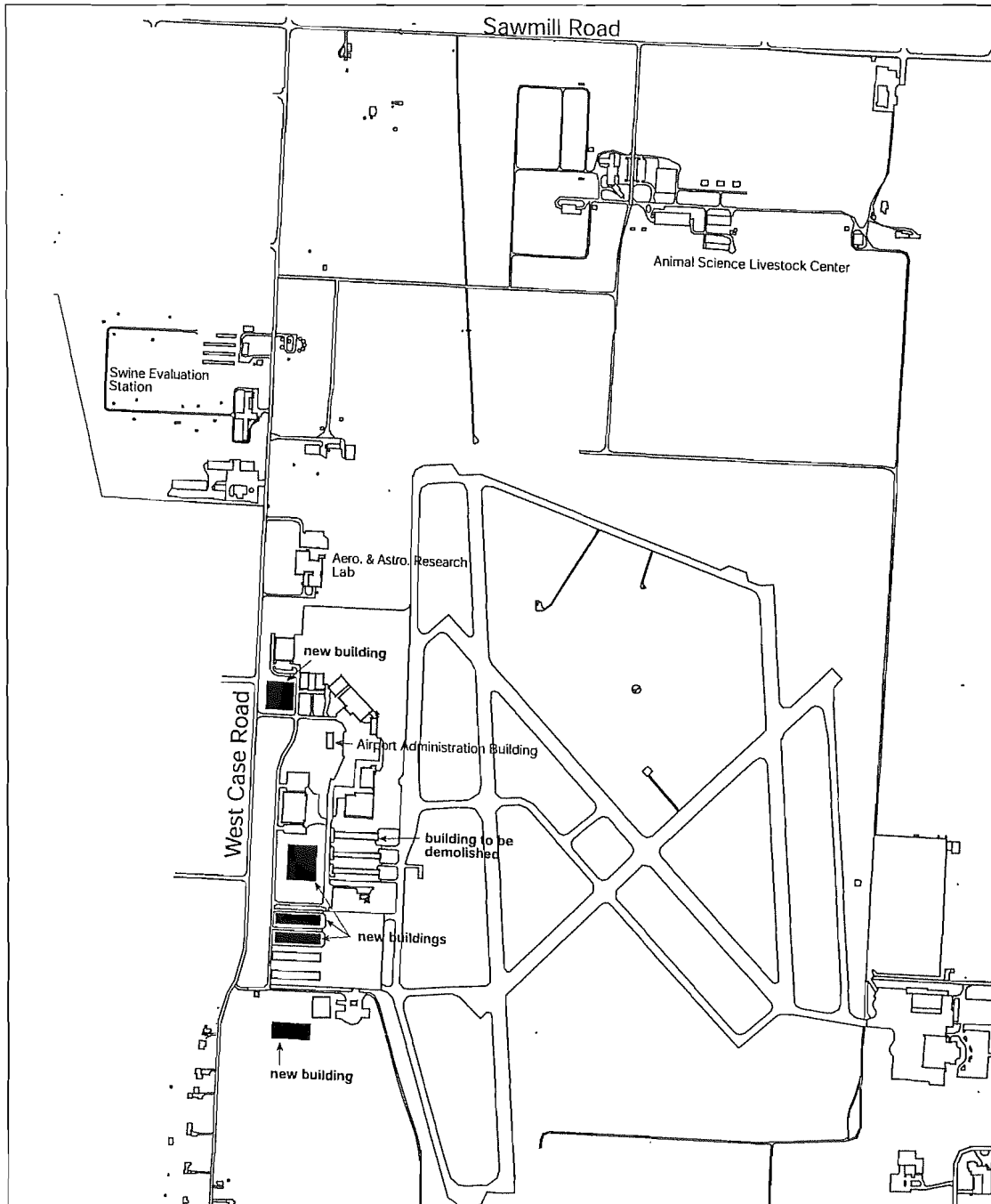
**USES:**

Bond Financing	\$	385,552	
Construction		6,425,863	
Contingency		321,293	
Design		617,280	
Univ. Administration		111,190	
Total	\$	7,861,178	

**COMMENTS:**

Costs reflect 2004 dollars. Site to be at Don Scott Field.

# University Airport



Office of Business and Finance  
Office of Facilities Planning and Development

January 12, 2002

**OARDC Piketon Training & Development Center****315-2002-901****PROJECT CAPTAIN:**

Steve Middleton, Facilities Planning &amp; Development - Architecture, 688-3576

**REQUESTING AGENCY:**

Ohio Agricultural Research and Development Center

**PROJECT LOCATION:**

V0010-Site - See Comments

**AGE:****GR. SQ. FT.:****PROJECT DESCRIPTION:**

Construct a new Multi-Purpose Building at Piketon for use by OARDC. New building will provide space for technology training and a business incubator center.

**MILESTONES:**

	Projected	Revised	Actual
Arch/Eng Approved B/T	2/1/2002		
Bidding Approved B/T	2/7/2003		
Arch/Engr Contract	7/30/2002		
Schematic Design Approval	11/15/2002		
Design Development Approval	11/15/2002		
Construction Document Approval	3/19/2003		
Bid Opening	4/23/2003		
Award of Contracts	6/18/2003		
Construction Start	7/7/2003		
Report of Award to B/T	9/1/2003		
Completion	6/7/2004		

**FUNDING INFORMATION:**

Future Capital Appropriations	\$	900,000		
Grant-Appalachian Reg. Commission		270,000		
Grant-Economic Development Admin		1,920,000		
Total	\$	3,090,000		

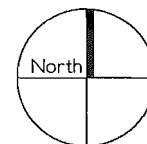
**USES:**

Construction	\$	2,540,973		
Contingency		254,101		
Design		203,280		
Equipment		53,531		
Univ. Administration		38,115		
Total	\$	3,090,000		

**COMMENTS:**

Site to be on the OARDC Piketon Facilities.

## OARDC Piketon Training and Development Center



Office of Business and Finance  
Office of Facilities Planning and Development

January 25, 2002

**Wiseman Hall - Expand ULAR Facilities****315-2002-902****PROJECT CAPTAIN:**

Steve Middleton, Facilities Planning &amp; Development - Architecture, 688-3576

**REQUESTING AGENCY:**

College of Medicine

**PROJECT LOCATION:**

0157-WISEMAN HALL, BRUCE K.

**AGE:**

1960

**GR. SQ. FT.:**

81,714

**PROJECT DESCRIPTION:**

Upgrade the first floor conference room, renovate the two surgery locker rooms, and add a fourth surgery room within Wiseman Hall.

**MILESTONES:**

	Projected	Revised	Actual
Arch/Eng Approved B/T	2/1/2002		
Bidding Approved B/T	2/1/2002		
Arch/Engr Contract	7/30/2002		
Schematic Design Approval	11/1/2002		
Design Development Approval	11/1/2002		
Construction Document Approval	2/5/2003		
Bid Opening	3/12/2003		
Award of Contracts	5/7/2003		
Construction Start	5/26/2003		
Report of Award to B/T	6/7/2003		
Completion	2/9/2004		

**FUNDING INFORMATION:**

Grant-National Institute of Health	\$	885,710		
General Funds-Medicine		442,855		
General Funds-Research		442,855		
Total	\$	1,771,420		

**USES:**

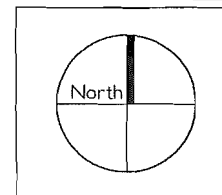
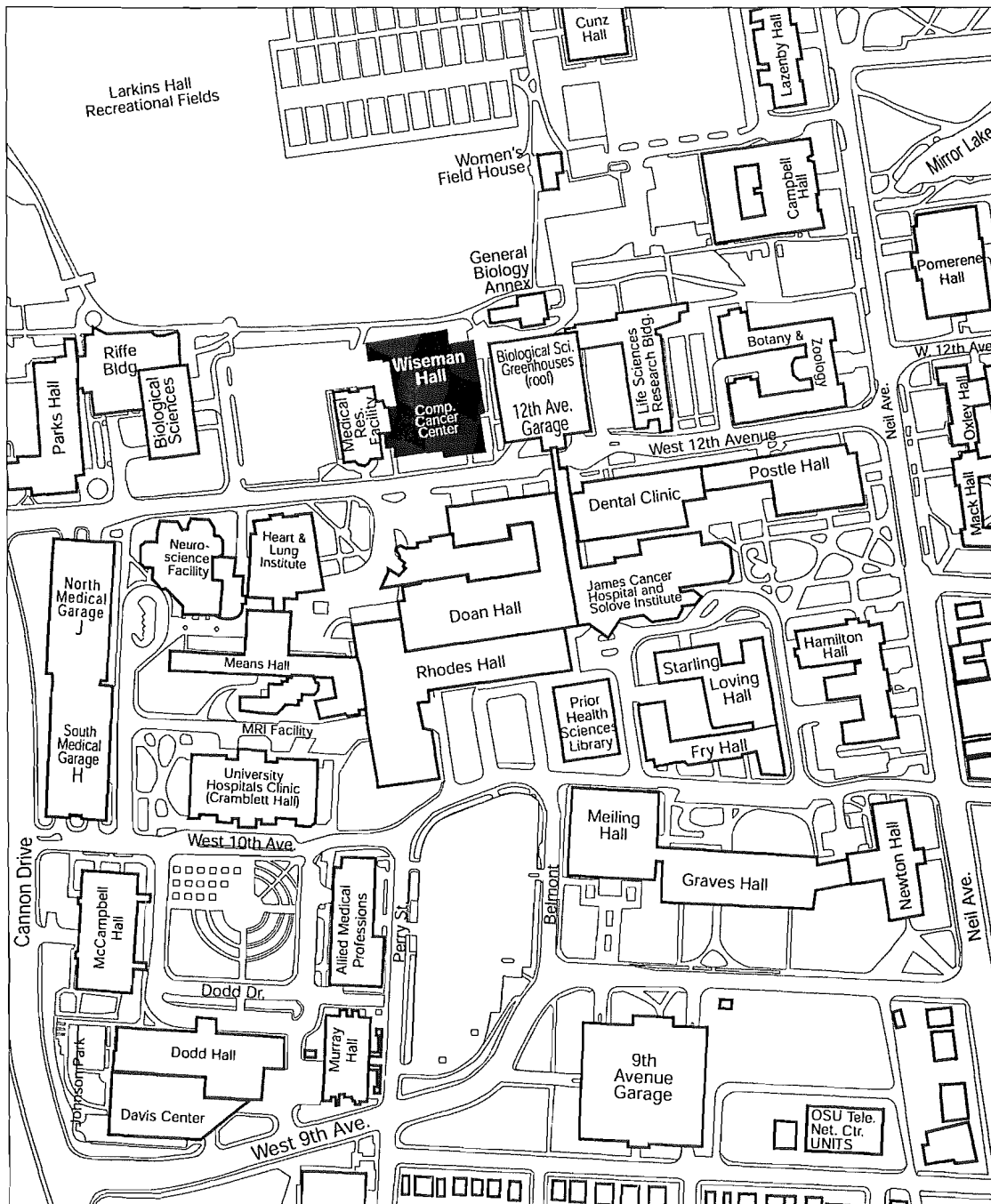
Construction	\$	596,160		
Contingency		59,616		
Design		72,450		
Equipment		1,034,252		
Univ. Administration		8,942		
Total	\$	1,771,420		

**COMMENTS:**

Project cost in 2003 Dollars.



## Wiseman Hall - Expand ULAR Facilities



Office of Business and Finance  
Office of Facilities Planning and Development

January 10, 2002

**Utilities - North Tunnel Steamline Upgrade****315-2000-933****PROJECT CAPTAIN:**

Tricia Petras, Physical Facilities UEO, 292-1349

**REQUESTING AGENCY:**

Department of Physical Facilities

**PROJECT LOCATION:**

U0000-Unidentified Utility-Col.

**AGE:****GR. SQ. FT.:****PROJECT DESCRIPTION:**

The existing steamline from McCracken/Neil junction to the North #1 tunnel is undersized to meet demands. This project will remove 1,000 feet of existing asbestos covered 8" line and replace with 12" line and will replace the companion condensate line.

**MILESTONES:**

	Projected	Revised	Actual
Arch/Eng Approved B/T	11/3/2000		11/3/2000
Bidding Approved B/T	11/3/2000		11/3/2000
Arch/Engr Contract	4/1/2001	5/1/2002	
Schematic Design Approval	7/1/2001	8/1/2002	
Design Development Approval	10/1/2001	8/1/2002	
Construction Document Approval	1/1/2002	11/1/2002	
Bid Opening	3/1/2002	1/1/2003	
Award of Contracts	5/1/2002	3/1/2003	
Construction Start	5/15/2002	4/1/2003	
Report of Award to B/T	12/1/2002	6/1/2003	
Completion	10/15/2002	9/1/2003	

**FUNDING INFORMATION:**

HB640 Basic Renovations	\$ 750,000	\$ 750,000	
HB748 Columbus Basic Renovation	-	386,550	
HB790 Columbus Basic Renovation	-	11,450	
HB850 Columbus Basic Renovation	-	252,000	
Total	\$ 750,000	\$ 1,400,000	

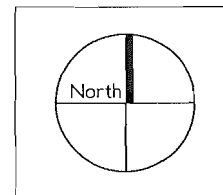
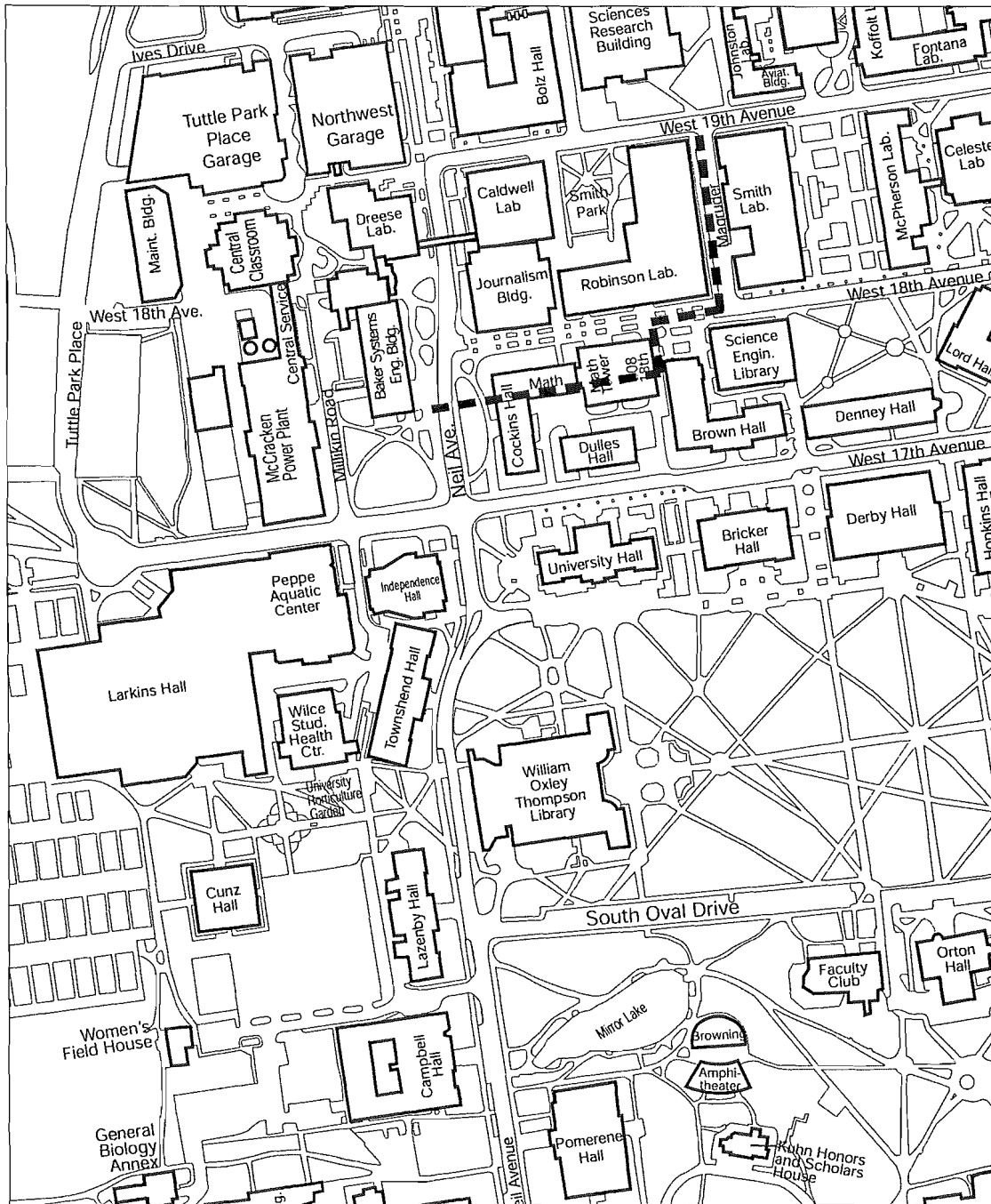
**USES:**

Construction	\$ 622,500	\$ 1,190,000	
Contingency	55,915	94,570	
Design	62,250	97,580	
Univ. Administration	9,335	17,850	
Total	\$ 750,000	\$ 1,400,000	

**COMMENTS:**

\$750,000 project approved by the Board of Trustees on November 3, 2000. Project scope increased to add new OSHA requirements and additional asbestos abatement work. Revised project budget of \$1.4 million presented to the Board of Trustees for approval on February 1, 2002.

## Utilities - North Tunnel Steam Line Upgrade



Office of Business and Finance  
Office of Facilities Planning and Development

January 12, 2002

**Program in Mathematical Bioscience****315-2002-900****PROJECT CAPTAIN:**

Ruth Miller, Facilities Planning &amp; Development - Architecture, 292-4240

**REQUESTING AGENCY:**

Mathematical &amp; Physical Science

**PROJECT LOCATION:**

0187-MATHEMATICS BUILDING

**AGE:**

1962

**GR. SQ. FT.:**

28,569

**PROJECT DESCRIPTION:**

Renovate approximately 6,500 square feet of space on the 2nd floor of the Math Building and Cockins Hall to house a program in Mathematical Bioscience. Work includes selective demolition, painting, carpeting, new ceilings and lighting, minor mechanical upgrades, data and electrical upgrades, audio/visual equipment and furniture, and ADA upgrades to the 2nd floor restrooms in Cockins Hall.

**MILESTONES:**

	Projected	Revised	Actual
Arch/Eng Approved B/T	2/1/2002		
Bidding Approved B/T	2/1/2002		
Arch/Engr Contract	2/15/2002		
Schematic Design Approval	2/20/2002		
Construction Document Approval	2/28/2002		
Construction Start	3/1/2002		
Report of Aware to B/T	12/6/2002		
Completion	8/15/2002		

**FUNDING INFORMATION:**

Board of Regents	\$	100,000	\$	-
General Funds-Math & Physical Science		470,346		
Total	\$	570,346	\$	-

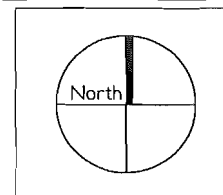
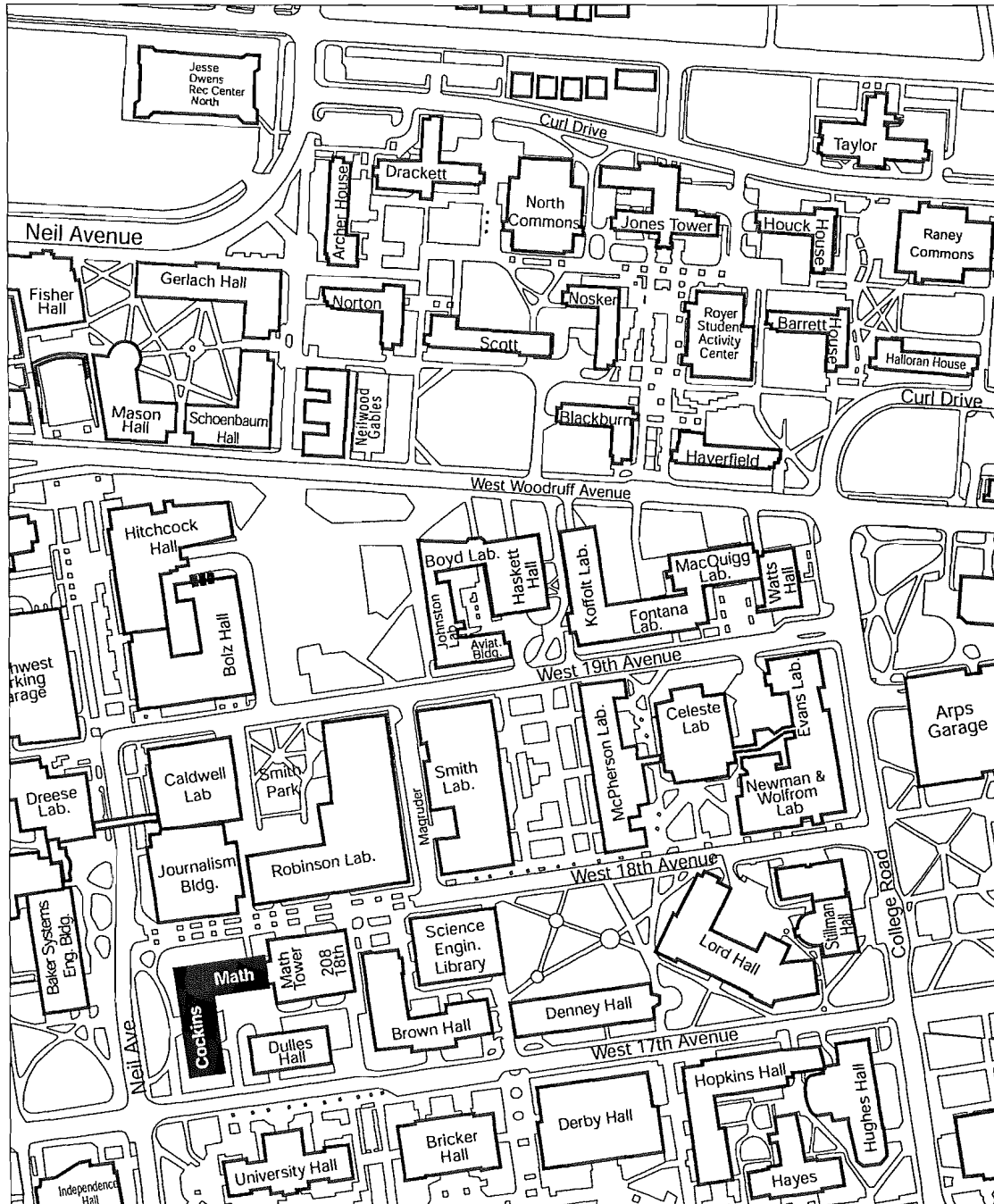
**USES:**

Asbestos	\$	45,000	\$	-
Construction		317,571		
Contingency		25,811		
Design		25,000		
Equipment		152,200		
Univ. Administration		4,764		
Total	\$	570,346	\$	-

**COMMENTS:**

Formerly known as project 50700-R011662. \$235,173 of CMPS funding is pending funding from external sources.

# Program in Mathematical Bioscience



Office of Business and Finance  
Office of Facilities Planning and Development

January 31, 2002

**Mansfield Campus - Roadway & Parking Lot Resurface****315-2000-947****PROJECT CAPTAIN:**

Martin R. Bricker, Facilities Planning &amp; Development - Architecture, 468-0024

**REQUESTING AGENCY:**

Mansfield Regional Campus

**PROJECT LOCATION:****AGE:****GR. SQ. FT.:**

V0004-Various Locations-Mansfield

**PROJECT DESCRIPTION:**

Resurface approximately 1/2 mile long Mansfield main entrance roadway and heavily used parking lots (#4, #5, #6 and Tech Center). Work includes associated storm drain inlet repairs and striping.

**MILESTONES:**

	Projected	Revised	Actual
Arch/Eng Approved B/T	2/1/2002		
Bidding Approved B/T	2/1/2002		
Arch/Engr Contract	2/15/2002		
Construction Document Approval	4/15/2002		
Bid Opening	6/1/2002		
Award of Contracts	7/1/2002		
Construction Start	7/1/2002		
Report of Award to B/T	12/6/2002		
Completion	9/15/2002		

**FUNDING INFORMATION:**

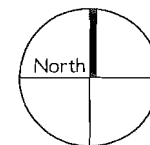
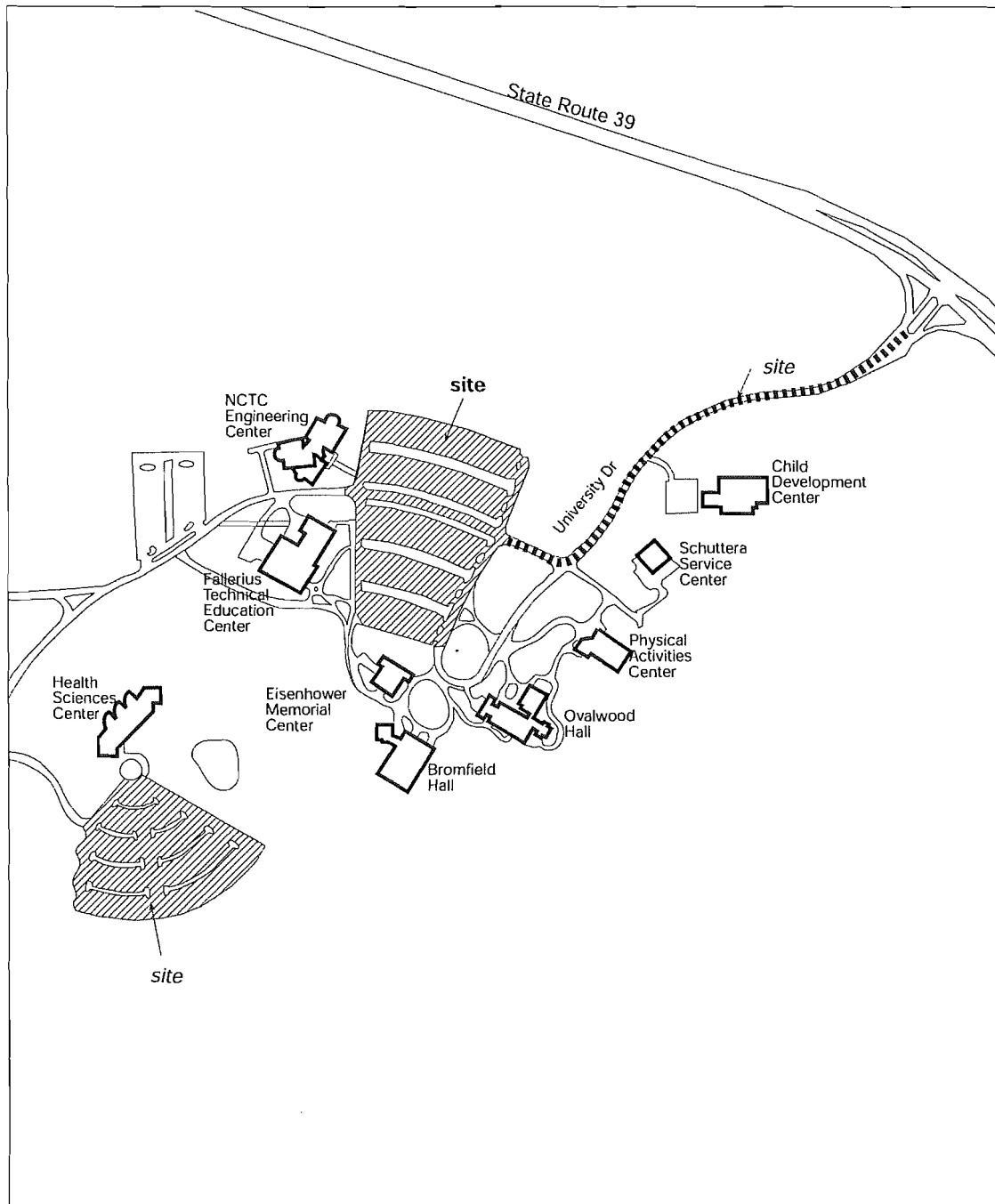
HB640 Mansfield Basic Renovations	\$	160,000	\$	-
HB640 Regional Basic Renovations				
HB748 Regional Campus Line Items		53,300		
North Central Technical College		157,275		
Total	\$	370,575	\$	-

**USES:**

Construction	\$	305,000	\$	-
Contingency		24,400		
Design		36,600		
Univ. Administration		4,575		
Total	\$	370,575	\$	-

**COMMENTS:**

# Mansfield Campus - Roadway and Parking Lot Resurface



Office of Business and Finance  
Office of Facilities Planning and Development

January 12, 2002

**Riverwatch Tower - Suites B and C****5070-R991615****PROJECT CAPTAIN:**

Ruth Miller, Facilities Planning &amp; Development - Architecture, 292-4240

**REQUESTING AGENCY:**

Office of the Treasurer

**PROJECT LOCATION:**

0969-RIVERWATCH TOWER (SUITE 100B, 100C)

**AGE:**

1987

**GR. SQ. FT.:**

14,775

**PROJECT DESCRIPTION:**

Renovation of office space for the University Treasurer's staff located on the ground floor of Riverwatch Tower. Scope of work includes selective demolition, some new walls and doors, painting, carpeting, new ceilings and lighting, minor mechanical upgrades, data and electrical upgrades, office furniture, and ADA upgrades to the restrooms.

**MILESTONES:**

	Projected	Revised	Actual
Arch/Eng Approved B/T	2/1/2002		
Bidding Approved B/T	2/1/2002		
Arch/Engr Contract	1/10/2000	1/10/2000	1/15/2000
Schematic Design Approval	5/2/2000	6/15/2000	6/28/2000
Design Development Approval	6/1/2000	8/15/2000	7/15/2000
Construction Document Approval		11/25/2001	11/25/2001
Bid Opening	4/15/2002		
Award of Contracts	5/30/2002		
Construction Start	5/30/2002		
Completion	11/30/2002		

**FUNDING INFORMATION:**

General Fund-Business and Finance	\$	326,612	
Total	\$	326,612	

**USES:**

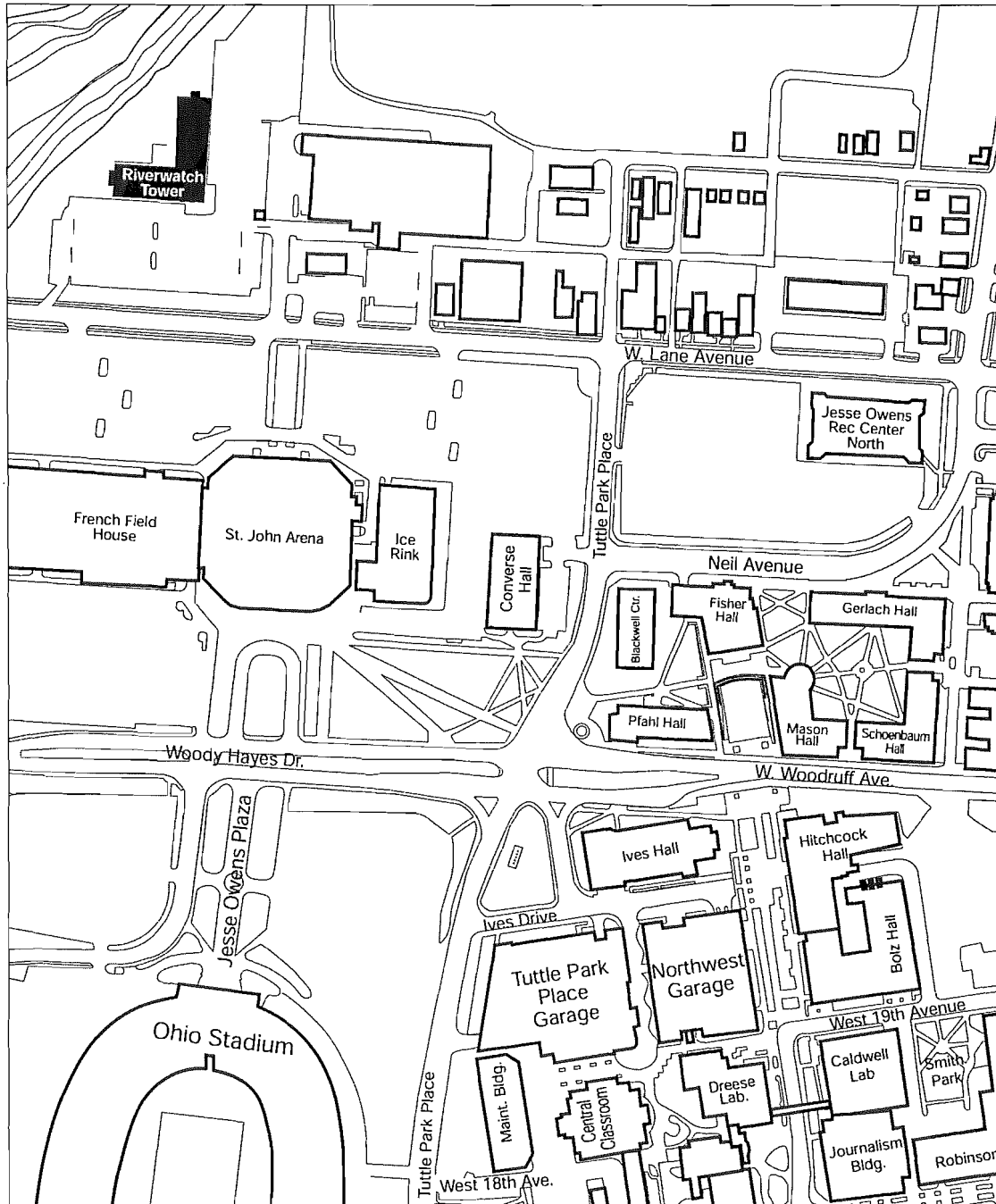
Construction	\$	270,953	\$	-
Contingency		27,095		
Design		24,500		
Univ. Administration		4,064		
Total	\$	326,612	\$	-

**COMMENTS:**

The original project scope was to renovate the space occupied by the Treasurer's Office in Riverwatch Tower at a cost of approximately \$181,000. During the design process, occupants in the adjacent space (ACUHO) moved out and their space was assigned to the Treasurer's Office as well. It was determined that this additional space should also be included in the renovation as it would permit the Treasurer's Office to move additional staff from Lincoln Tower to Riverwatch Tower.



## Riverwatch Tower - Suites B and C



Office of Business and Finance  
Office of Facilities Planning and Development

January 10, 2002

PROJECT CAPTAIN:

Jack Bargaheiser, Facilities Planning &amp; Development - Architecture, 247-7607

REQUESTING AGENCY:

Knowlton Sch.&amp; Engineering

PROJECT LOCATION:

0002-VIVIAN HALL, ALFRED

AGE:

1951

GR. SQ. FT:

52976

PROJECT DESCRIPTION:

Removal of selected partitions and all lab benches; addition of electrical outlets and lights as required in Vivian Hall. Basement: 1,1A, 2, 3J, 4, X8C, 11, 22, 23, 23A, 24, 25A-C, 26, 27, 28, 31; first floor: 109, 109A-B, 110, 111A, 112, 113, 114,, 11115, 116, 117, 118, 120, 121, 122, 122A-H; second floor corridor: 2008, 210, 211, 213, 214, 214A, 215, 215A--B, 216A, 217, 218.

Reference December 5, 2000 memo from Bill Shkurti to David Ashley.

MILESTONES:

	Projected	Revised	Actual
Arch/Eng Approved B/T	6/1/2001		
Bidding Approved B/T	6/1/2001		
Construction Document Approval	5/16/2001		
Award of Contracts	5/20/2001		
Construction Start	5/20/2001		
Report of Award to B/T	12/7/2001		
Completion	8/15/2001		

FUNDING INFORMATION:

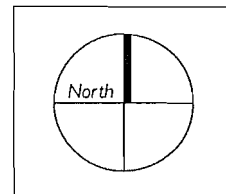
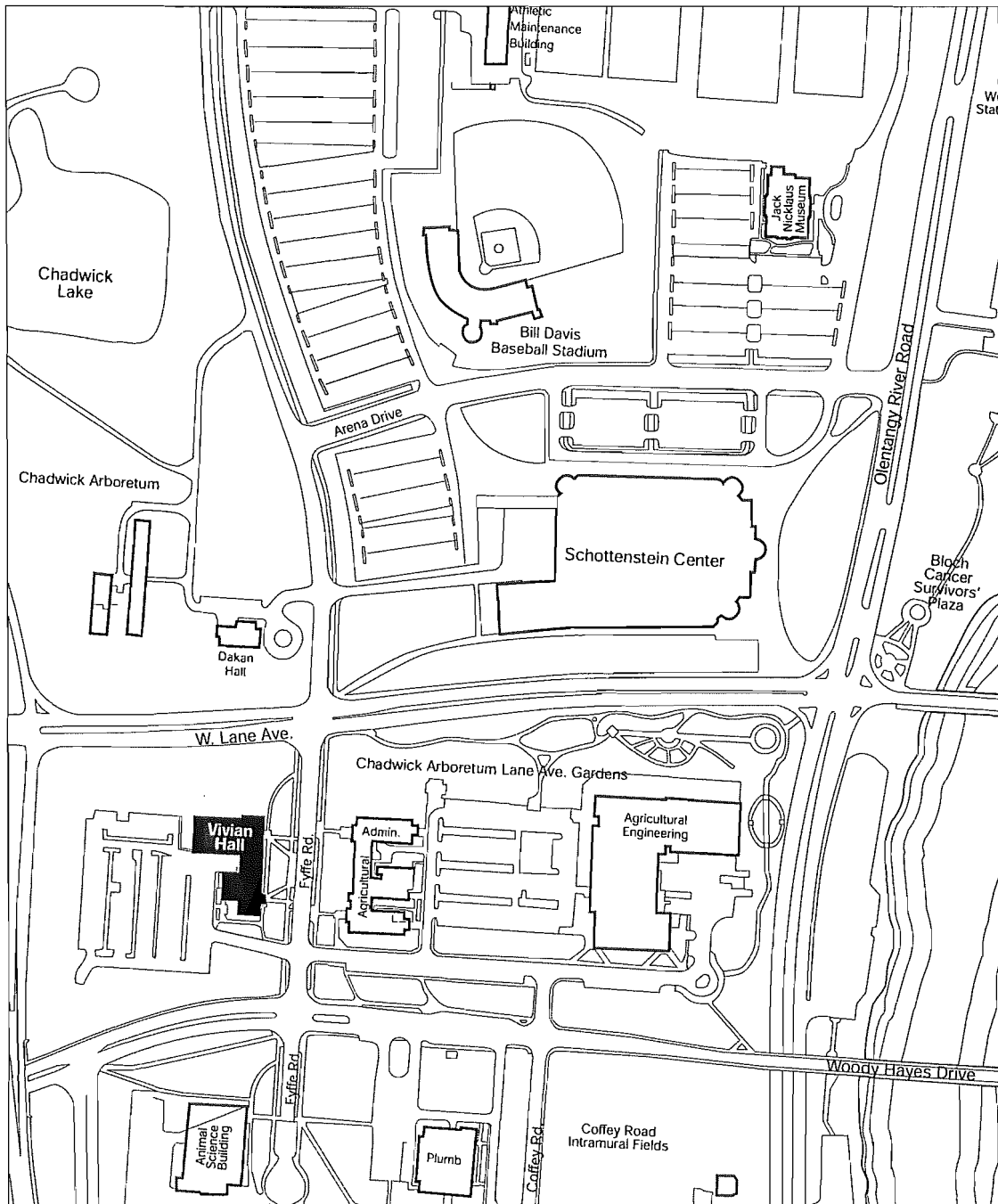
Centrally Funded Capital Projects	\$ 152,500	\$	\$
Future Univ. Bond Issues	152,500		
Total	\$ 305,000	\$	\$

USES:

Asbestos	\$ 41,000	\$	\$
Construction	220,000		
Contingency	22,000		
Design	17,380		
Univ. Administr	4,620		
Total	\$ 305,000	\$	\$

COMMENTS:

## Vivian Hall - Rooms 1-218



Office of Business and Finance  
Office of Facilities Planning and Development

May 16, 2001

(APPENDIX XXIV)

**PURCHASE OF REAL PROPERTY**

**CAMPUS VIEW VILLAGE APARTMENTS  
929 SHARON VALLEY ROAD, NEWARK, OHIO**

Location and Description

The property to be purchased is owned by Campus View Village, an Ohio non-profit corporation, and located at 929 Sharon Valley Road in Newark, Ohio. The property is adjacent to the Newark Campus. This property consists of two apartment buildings, containing a total of 42 units, and related site improvements, constructed in 1986 and in good condition, situated on approximately 4.55 acres.

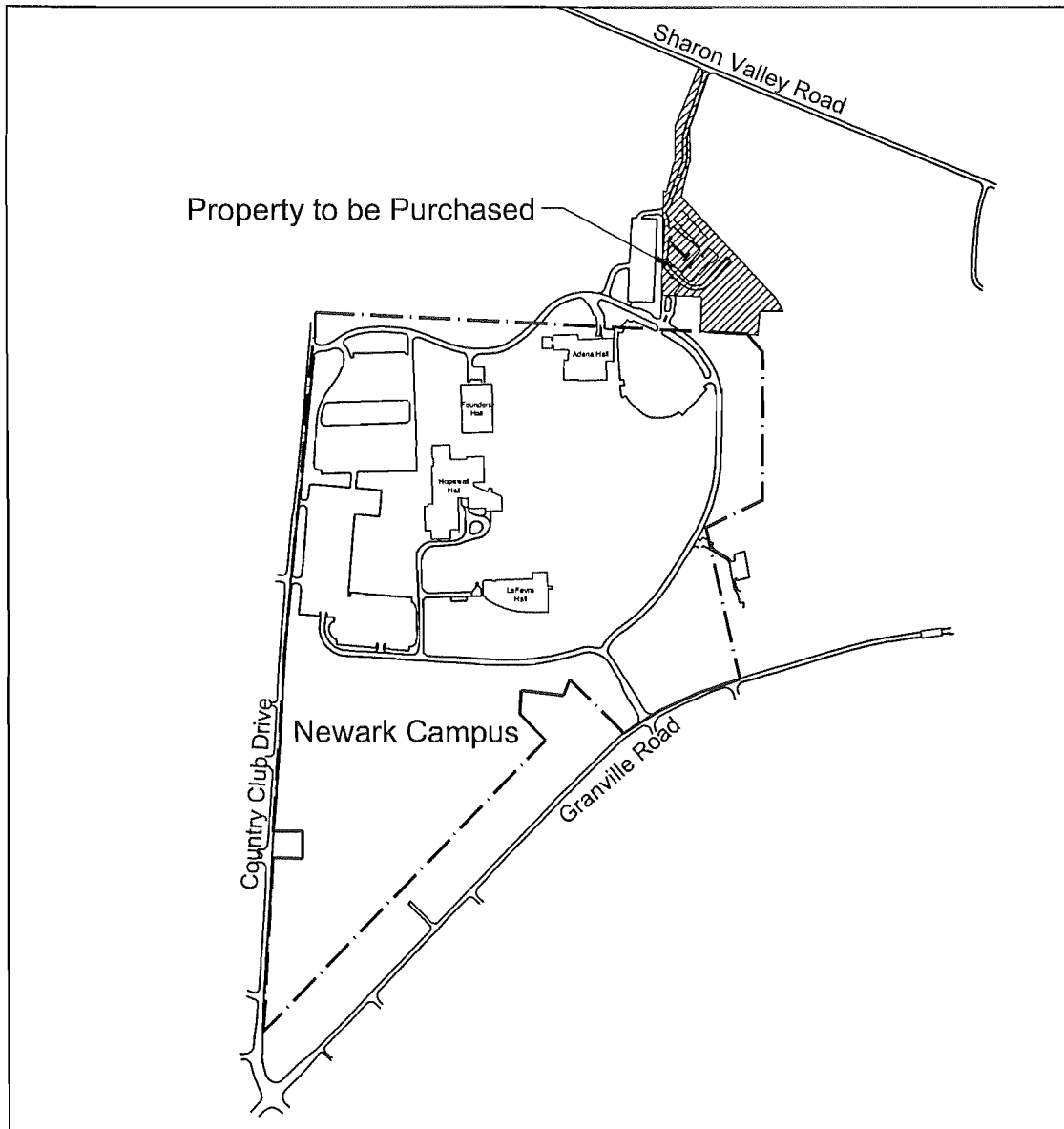
Appraisals and Consideration

MAI appraisals by Koon and Associates in August 2001 and Reith Real Estate Services in September 2001 valued the property at \$2,825,000 and \$3,050,000, respectively, for an average appraised value of \$2,937,500. Campus View Village has offered to sell the property for that amount. The seller will transfer the property to the Newark Campus Development Fund which then will sell the property to the University. Student Affairs will provide funding for the purchase and all costs associated with operation of the property.

Use of the Property

Title to the property will be taken in the name of the State of Ohio for the use of The Ohio State University. The property will be used to provide University student housing that will be operated by Student Affairs. The acquisition of this property is critical for the development of student housing at the Newark Regional Campus.

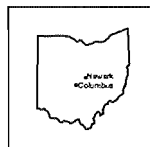
# Purchase of Real Property Campus View Village Apartments Newark, Ohio



No True Scale



Map Provided by University Engineer's Office



Office of Business and Finance  
Office of Facilities Planning and Development  
February 1, 2002



Property to be Purchased



Campus Property Line

***The Ohio State University Board of Trustees***  
**Fiscal Affairs Committee**

**February 1, 2002**

**TOPIC:**

Budget v. Actual Report for FY 2000-01

**CONTEXT:**

This is an annual report on the differences between budgeted and actual revenues and expenditures.

Budget v. Actual was first provided to the Board four years ago.

The FY 2001 report is the first using the new general ledger. In order to provide more flexible and accurate tracking of revenues and costs the new system converted:

- 450 organizations in the old accounting system into over 3800, and
- 800 account and sub-code categories into almost 3000 new categories.

In coordination with the State of Ohio, the University is implementing several new governmental reporting standards in FY 2002 that will replace the current multi-column financial statements with a "business-type activity" format.

**SUMMARY:**

- The records of the University budget and accounting system are reconciled.
- There were a large number of one-time accounting adjustments and reclassifications due to the conversion to the new general ledger.
- General Fund resources were 3.1% over budget, primarily due to higher than budgeted growth in indirect cost recoveries, unrestricted endowment income, and temporary investment income. These have already been taken into account in the FY 03 budget projections. General Fund expenditures were slightly over budget, due to a combination of year-end accounting adjustments and one-time expenditures.
- Resources for earnings units were 2.6% below budget primarily due to lower than budgeted revenues for the University Hospitals System, the midyear change in the University Bookstore operation, and less activity than budgeted in other auxiliaries. Restatement of timing and classification of debt service payments resulted in actual expenses slightly higher than budgeted expenses.
- Restricted resources and expenditures exceed estimates due to an increase in grants and contracts.

**ACTION REQUESTED OF FISCAL AFFAIRS COMMITTEE:**

Approval of resolution.

**THE OHIO STATE UNIVERSITY**  
**COMPARISON OF BUDGET TO ACTUAL**  
**COLUMBUS CAMPUS FOR FY 2001**  
(In Thousands)

	General Funds			Earnings			Restricted		
	Revised Budget	Actual	% Variance	Revised Budget	Actual	% Variance	Revised Budget	Actual	% Variance
<b>Resources</b>									
State Subsidy & State Appropriations	337,986	338,395	0.12%				58,775	56,498	-3.87%
Student Fees	334,452	337,507	0.91%	7,800	7,973	2.22%			
Grants, Contracts & Appropriations	47,035	57,661	22.59% (1)				342,000	417,575	22.10% (13)
Hospitals				641,548	611,538	-4.68%			
Auxiliaries				168,316	145,433	-13.60% (8)			
Other Sales & Services				47,500	64,996	36.83% (9)			
Endowment Income	3,375	5,314	57.45% (2)				32,000	12,050	-62.34% (14)
Temporary Investment Income	11,300	18,544	64.11% (3)		6,328	0.00% (10)			
Other Sources of Income	6,533	6,454	-1.21%		6,326	0.00% (11)			
<b>Total Resources</b>	<b>740,681</b>	<b>763,875</b>	<b>3.13%</b>	<b>865,164</b>	<b>847,594</b>	<b>-2.61%</b>	<b>432,775</b>	<b>486,123</b>	<b>12.33%</b>
<b>Expenditures</b>									
Instructional & General	659,977	686,619	4.04%	39,472	65,445	65.80% (12)	108,033	128,018	18.50%
Scholarships & Fellowships	46,821	49,277	5.25%				47,000	46,894	-0.23%
Hospitals				632,377	631,585	-0.13%	13,242	13,395	1.16%
Auxiliaries	1,412		-100.00% (4)	166,761	160,454	-3.78% (8)	7,500	11,066	47.55% (15)
Separately Budgeted Research	29,294	15,178	-48.19% (5)	10,188	10,279	0.89%	170,000	202,954	19.38%
Public Service	3,116	5,782	85.56% (6)	11,750	11,507	-2.07%	87,000	83,796	-3.68%
<b>Total Expenditures</b>	<b>740,620</b>	<b>756,856</b>	<b>2.19% (7)</b>	<b>860,548</b>	<b>879,270</b>	<b>2.18%</b>	<b>432,775</b>	<b>486,123</b>	<b>12.33%</b>

**General Funds:**

- (1) Indirect cost recoveries were up \$7M (15%) and there was a \$4.3M year-end audit adjustment to record residual contract funds.
- (2) Reflects increase in endowment income in previous years. Budget adjusted in FY 2002.
- (3) Earned \$2M more than budgeted; audit adjustment of \$5M for unbudgeted accrued income and a standard year-end entry to record market adjustments.
- (4) Classification issue: Actual General Funds support to the Student Unions is included in Instructional & General Expenditures.
- (5) Budget includes Research Challenge of \$9.3M while these funds may be spent in other lines including transfers to plant for research projects. Also, a negative \$4.3M audit adjustment was made to reclassify a FY00 entry.
- (6) Variance was due to a reclassification of expenditures that were previously recorded in Instructional & General. Future budgets will be adjusted.
- (7) General Funds expenses exceeded budget as a result of planned spending one-time cash reserves set aside from previous years.

**Earnings:**

- (8) Activity is lower across the board in all auxiliaries plus the sale of the Bookstores mid year. Expenditures are high due to debt service transfers totaling \$14.5M that belong to a previous year.
- (9) Classification issue: Includes an audit adjustment (\$8M) to temporarily recognize cash receipts which will be reclassified in FY 02. Also, a \$3M increase in OARNET'S Sales and Services due to increased sales of "band widths" to schools.
- (10) Classification issue: Actual includes investment income for earnings accounts that are included in Hospital and Auxiliary budget lines.
- (11) Classification issue: Included in Sales & Services line in the Budget.
- (12) The budget has been conservative compared to activity and has been adjusted for FY 2002. Actual also includes \$9M in transfers which are not included in the budget.

**Restricted:** Budget reflects prior year spending trends.

- (13) Primarily due to an 18% increase in sponsored program activity.
- (14) Income is equal to expenditures which are down partly due to Development being paid from Endowment income (\$8.5M) and other reclassifications to the Grants and Contracts line.
- (15) The budget includes Athletics grants-in-aid only while Actual includes bowl expenses which vary widely depending on the bowl.

This is the first time we have done Budget versus Actual with the new GL. There may be variances due to the GL conversion and a new way of functionally classifying expenses.